

OWNER PARTICIPATION AGREEMENT
BY AND AMONG
CITY OF LAS VEGAS REDEVELOPMENT AGENCY,
HERITAGE-NEVADA VIII, LLC,
AND
THE CITY OF LAS VEGAS, NEVADA
[EFFECTIVE DATE]

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OWNER PARTICIPATION AGREEMENT

THIS OWNER PARTICIPATION AGREEMENT (the "*Agreement*") is entered into as of the ____ day of _____, 200__, by and among the CITY OF LAS VEGAS REDEVELOPMENT AGENCY (the "*Agency*"), HERITAGE-NEVADA VIII, LLC, a Nevada limited liability company ("*Developer*"), and, solely for purposes of Section 2.7 below, the CITY OF LAS VEGAS, NEVADA (the "*City*"). The Agency and Developer are herein individually and collectively referred to as the "*Party(ies)*".

1. SUBJECT OF AGREEMENT

1.1 Purpose of this Agreement. The purpose of this Agreement is to effectuate the Redevelopment Plan by providing for the development of certain real property included within the boundaries of the Redevelopment Area.

The development of the Site pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

This Agreement has been negotiated and prepared as a result of the Tax Increment Financing Application dated _____, 2008 submitted by Developer to the Agency, together with all supplements thereto (collectively the "*Application*"), which requested that the Agency reimburse to Developer a portion of the incremental increase in property taxes generated by the Site and the Project, as described therein.

1.2 Definitions. Capitalized terms used herein have the meanings set forth in Section 1.2 of the DDA, except as otherwise defined in this Section 1.2.

"*1986 Indenture*" means that certain Amended and Restated Indenture of Trust, dated as of December 1, 1989, between the Agency and the Trustee.

"*1994A Indenture*" means that certain Indenture of Trust, dated as of January 15, 1994 between the Agency and the Trustee.

"*1994B Indenture*" means that certain Indenture of Trust, dated as of January 15, 1994 between the Agency and the Trustee.

"*1995A Indenture*" means that certain Indenture of Trust, dated as of June 1, 1995 between the Agency and the Trustee.

"*1995B Indenture*" means that certain Indenture of Trust, dated as of June 1, 1995 between the Agency and the Trustee.

"*1998 Indenture*" means that certain Second Supplemental Indenture of Trust dated as of September 1, 1998 between the Agency and the 2003 Trustee.

"*2003 Trustee*" means US Bank National Association.

"2003A Indenture" means that certain Indenture of Trust, dated as of June 15, 2003 between the Agency and the 2003 Trustee.

"2003B Indenture" means that certain Indenture of Trust, dated as of June 15, 2003 between the Agency and the 2003 Trustee.

"Acquiring Party" has the meaning set forth in Section 4.1.

"Acquisition Date" has the meaning set forth in Section 4.3.

"Agency Event of Default" has the meaning set forth in Section 5.2.

"Agency's Future Debt" has the meaning set forth in Section 1.16(b).

"Agency's Pre-Existing Debt" has the meaning set forth in Section 1.16(a).

"Agency Share of Real Estate Taxes" has the meaning set forth in Section 1.14(d).

"Agreement" has the meaning set forth in the preamble to this Agreement.

"Application" has the meaning set forth in Section 1.1.

"Approved Project" has the meaning set forth in Section 2.2.

"Available Accrued Taxes" has the meaning set forth in Section 1.14(d).

"Bonds" means the Series 1986A Bonds, Series 1994A Bonds, Series 1994B Bonds, Series 1995A Bonds, Series 1995B Bonds, Series 1998 Bonds, Series 2003A Bonds and Series 2003B Bonds.

"Certificate of Completion" has the meaning set forth in Section 2.13.

"Commence Construction" or *"Commencement of Construction"* means the earlier to occur of (a) the pouring of all foundations for the buildings comprising the Specific Facilities, including the completion of substantially all grading of the related land and the construction of any related site improvements; or (b) the recordation of the loan for the construction of the Project.

"DDA" means that certain Disposition and Development Agreement dated concurrently herewith between CPV and Developer.

"Depository" has the meaning set forth in Section 4.1(b).

"Developer Event of Default" has the meaning set forth in Section 5.1.

"Equity Acquiring Party" has the meaning set forth in Section 4.1.

"Indentures" means the 1986 Indenture, the 1994A Indenture, the 1994B Indenture, the 1995A Indenture, the 1995B Indenture, the 1998 Indenture, the 2003A Indenture and the 2003B Indenture.

"Lender" has the meaning set forth in Section 4.1(a).

"Maturity Date" has the meaning set forth in Section 1.14(b).

"Mortgage" has the meaning set forth in Section 4.1(c).

"Note" has the meaning set forth in Section 1.14(a).

"Projected Available Accrued Taxes" has the meaning set forth in Section 1.15(b).

"Qualified Improvements" means those improvements set forth on Exhibit "A".

"Qualifying Expenditures" means (a) all hard costs and soft costs incurred in constructing Qualified Improvements which costs are standard and customary in connection with the construction of Qualified Improvements, including, without limitation, construction interest, financing costs, architects', legal and engineers' fees, insurance fees, self insured retention fees and deductibles, survey, environmental and soil reports, etc. incurred in connection with the Qualified Improvements, permit and plan check fees or any other governmental agency fees incurred in connection with the Qualified Improvements, and fees and expenses incurred by or charged to Developer in connection with the issuance of the Note (including, but not limited to, legal fees), which are paid to third parties unrelated in anyway to Developer; and (b) and a fee for Developer's overhead not to exceed fifteen percent (15%) of such hard and soft costs.

"Real Estate Taxes" has the meaning set forth in Section 1.14(d).

"Recognized Financing" means any financing provided by a Recognized Lender.

"Recognized Lender" means any Lender which provides a Recognized Lender Notice to the Agency.

"Recognized Lender Notice" has the meaning set forth in Section 4.1.

"Recognized Mortgage Lender" has the meaning set forth in Section 4.1.

"Redevelopment Area" means the Downtown Las Vegas Redevelopment Area located in the City and the exact boundaries thereof are specifically described in the Redevelopment Area Documents.

"Redevelopment Area Documents" means the Redevelopment Plan and a document recorded March 11, 1986, as Instrument No. 00777, Book 860311, as amended in the document recorded February 11, 1988, Instrument No. 00382, Book 880211, as further amended in the document recorded November 22, 1996, as Instrument No. 00847, Book 961122, as

further amended in the document recorded June 8, 2004, as Instrument No. 20040608, Book 0004235, and as further amended in the document recorded June 2, 2006, as Instrument No. 0001395, Book 20060602 in the Recorder's Office.

"Redevelopment Plan" means the Redevelopment Plan for the Redevelopment Area which was approved and adopted on March 5, 1986 by the City Council by Ordinance No. 3218, as may be amended from time to time.

"Requirement" means (a) any and all laws, rules, regulations, constitutions, orders, ordinances, charters, statutes, codes, executive orders and requirements (now existing or hereafter applicable) of all governmental authorities having jurisdiction over Developer or any street, road, avenue or sidewalk comprising a part of, or lying in front of the Site, or any vault in, or under the Site (including, without limitation, the American with Disabilities Act and any of the foregoing relating to handicapped access or parking, the building code of the City and the laws, rules, regulations, orders, ordinances, statutes, codes and requirements of any applicable fire rating bureau or other body exercising similar functions); (b) any temporary or final certificates of completion and/or occupancy issued for the Site, as then in force; (c) any and all provisions and requirements of any property, casualty or other insurance policy required to be carried by Developer under this Agreement; and (d) any and all terms, conditions or covenants of any and all easements, covenants, conditions or restrictions of record, declarations, or other indentures, documents or instruments of record affecting the Site.

"Scope of Development" means Exhibit "B" attached hereto.

"Series 1986A Bonds" means the "City of Las Vegas Downtown Redevelopment Agency, Tax Increment Revenue Bonds (City of Las Vegas Redevelopment Project), Series 1986A" issued pursuant to the 1986 Indenture in the aggregate original principal amount of Fifty Million Dollars (\$50,000,000).

"Series 1994A Bonds" means the "City of Las Vegas Downtown Redevelopment Agency, Tax Increment Subordinate Lien Revenue Bonds (Fremont Street Project), Series 1994A" issued pursuant to the 1994A Indenture in the aggregate original principal amount of Eighteen Million Eight Hundred Thousand Dollars (\$18,800,000).

"Series 1994B Bonds" means the "City of Las Vegas Downtown Redevelopment Agency, Tax Increment Subordinate Lien Revenue Bonds (Housing Project), Series 1994B" issued pursuant to the 1994B Indenture in the aggregate original principal amount of Three Million Three Hundred Seventy-Five Thousand Dollars (\$3,375,000).

"Series 1995A Bonds" means the "City of Las Vegas Downtown Redevelopment Agency, Tax Increment Insured Refunding Parity Lien Revenue Bonds, Series 1995A" issued pursuant to the 1995A Indenture in the aggregate original principal amount of Sixteen Million Five Hundred Twenty-Five Thousand Dollars (\$16,525,000).

"Series 1995B Bonds" means the "City of Las Vegas Downtown Redevelopment Agency, Tax Increment Subordinate Lien Refunding Revenue Bonds, Series 1995B" issued pursuant to the 1995B Indenture in the aggregate original principal amount of Five Hundred Sixty-Five Thousand Dollars (\$565,000).

“Series 1998 Bonds” means the “City of Las Vegas Downtown Redevelopment Agency Tax Increment Refunding Bonds Series 1998” issued pursuant to the 1998 Indenture in the aggregate original principal amount of Nine Million Eight Hundred Ninety Thousand Dollars (\$9,890,000).

“Series 2003A Bonds” means the “Tax Increment Subordinate Lien Revenue Refunding Bonds (Fremont Street Project), Series 2003A” issued pursuant to the 2003A Indenture in aggregate original principal amount of Nineteen Million One Hundred Fifteen Thousand Dollars (\$19,115,000).

“Series 2003B Bonds” means the “Tax Increment Subordinate Lien Revenue Refunding Bonds (Housing Bonds), Series 2003B” issued pursuant to the 2003B Indenture in aggregate original principal amount of Two Million Three Hundred Ninety Five Thousand Dollars (\$2,395,000).

“Trustee” means Bank of America Nevada, formerly known as Valley Bank of Nevada.

“Unavoidable Delay” has the meaning set forth in Section 6.2.

1.3 The Redevelopment Plan. This Agreement is subject to the provisions of the Redevelopment Plan. The Redevelopment Plan, as it now exists and as it may be subsequently amended pursuant to Section 6.11 below, is incorporated herein by reference and made a part hereof as though fully set forth herein.

1.4 The Redevelopment Area. The Redevelopment Area is located in the City and the exact boundaries thereof are specifically described in the Redevelopment Area Documents, which documents are incorporated herein by reference and made a part hereof as though fully set forth herein.

1.5 The Site. The Site is shown generally as the location denoted as “Parcel E” in Exhibit “C” and described more particularly in Exhibit “D”, each of which are attached hereto.

1.6 The Agency. The Agency is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Community Redevelopment Law of the State of Nevada (NRS 279.382 et seq.). The office of the Agency is located at 400 Stewart Avenue, Las Vegas, Nevada 89101.

1.7 Developer. Developer is Heritage-Nevada VIII, LLC, a Nevada limited liability company. Developer’s principal office is located at 421 North Beverly Drive, Suite 350, Beverly Hills, California 90210. The manager whose signature is required to bind Developer is Heritage-Delaware, LLC by Robert Zarnegin, its sole member. Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, Developer warrants that it has disclosed, on the form attached hereto as Exhibit “E”, all principals, including partners or members, of Developer, as well as all persons and entities holding more than one percent (1%) interest in Developer or any principal, partner or member of Developer (excluding primary, secondary or

high yield financiers). Developer shall provide the Agency with written notification of any material change in the above disclosure within thirty (30) days of any such change.

1.8 Assignments and Transfers. The qualifications and identity of Developer are of particular concern to the City and the Agency, and it is because of such qualifications and identity that the Agency has entered into this Agreement with Developer. Except as set forth in Section 4.1 below, Developer and the Agency agree that:

(a) No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein.

(b) Until such time as the Certificate of Completion is issued, Developer shall not directly or indirectly transfer or assign all or any part of this Agreement without the prior written approval of the Agency, which approval may be withheld at the Agency's sole discretion. Developer agrees that a transfer of the equity interests in Developer shall constitute a transfer or assignment of Developer's interest in this Agreement. Notwithstanding the foregoing, Developer may transfer or assign this Agreement without obtaining the Agency's prior written approval to:

(i) an entity in which Robert Zarnegin has both (A) a direct or indirect material economic interest of at least a twenty-five percent (25%) equity ownership; and (B) voting control as managing partner or managing member, so long as Developer promptly provides the Agency with written notice of such transfer or assignment as well as documentation confirming that the transferee or assignee has agreed in writing to assume all of Developer's obligations hereunder;

(ii) a transfer of a membership or other equity interest in Developer so long as after such transfer Robert Zarnegin has both (A) a direct or indirect material economic interest of at least a twenty-five percent (25%) equity ownership; (B) voting control as managing member; and (C) Developer promptly provides the Agency with written notice of such transfer or assignment; or

(iii) a transfer of a membership interest in Developer for estate planning purposes to an immediate family member of such member or a trust for the benefit of an immediate family member so long as after such transfer Robert Zarnegin has voting control as managing member.

(c) Until such time as the Certificate of Completion is issued and except for Conveyances permitted under the Declaration, Developer shall not transfer, convey or assign any interest in the Site without the consent of the Agency, which consent may be withheld at the Agency's sole discretion.

(d) The Agency shall have thirty (30) days after Developer (i) gives written notice to the Agency of a proposed assignment, transfer or conveyance of this Agreement or the Site to any other person, entity, investor, builder or developer requiring the Agency's approval hereunder; and (ii) provides the Agency with such information as reasonably required by the Agency to make an informed decision to review and approve such assignment, transfer or conveyance. Failure of the Agency to disapprove any proposed assignment, transfer or

Conveyance in writing within such thirty (30) day time period shall constitute approval thereof by the Agency unless approval of the Agency's governing board is required in which case the time for such approval will be extended in order to comply with the required and customary procedures for obtaining approval of the Agency's governing board.

1.9 The Project. Subject to all the provisions of this Agreement, and subject to all the provisions of the City of Las Vegas Downtown Centennial Plan as adopted by the City Council on July 5, 2000, and as it may be amended from time to time, the Project shall be in compliance with the Scope of Development. The Project is to be constructed in a single phase and in conformance with the terms and conditions of (a) the Declaration; and (b) the Union Park Documents. The Project shall also be constructed in conformance with all Requirements.

Developer acknowledges and agrees (i) that nothing in this Agreement operates as a development approval, permit or entitlement for the development/construction of any phase of the Project; and (ii) that Developer will be required to obtain all reviews, approvals and permits required for the construction of the Project.

1.10 Reimbursement of Agency Costs. If Developer does not make a good faith effort to Commence Construction of the Project in accordance with the Schedule of Performance (unless such Commencement of Construction is delayed as permitted in Section 6.2 below or Section 10.1 of the DDA), Developer shall reimburse the Agency up to One Hundred Thousand Dollars (\$100,000) for any and all actual expenses or actual damages sustained by the Agency as a result of Developer's failure to make a good faith effort to Commence Construction of the Project, including but not limited to, all expenses reasonably incurred by the Agency in connection with the preparation and approval of this Agreement, and upon such reimbursement, Developer shall have no further obligation to the Agency.

1.11 Construction of the Project. No later than the date as set forth in the Schedule of Performance and in accordance with the terms and conditions of the Declaration, Developer shall make a good faith effort to Commence Construction in accordance with the Scope of Development and in accordance with the terms and conditions of the Declaration, unless such Commencement of Construction is delayed as permitted in Section 6.2 below. Developer agrees to make a good faith effort to complete the construction for the Project no later than the deadlines set forth in the Schedule of Performance and in accordance with the terms and conditions of the Declaration, unless such completion is delayed as permitted in Section 6.2 below.

1.12 Site Preparation. In accordance with the deadlines set forth in the Schedule of Performance and the Declaration and subject to Section 6.2 below, Developer shall prepare the Site for construction deemed necessary for Commencement of Construction of the Project.

1.13 Miscellaneous Developer Obligations. Developer shall be responsible for all on-site and off-site improvements to the Site as required by the Declaration and the Requirements.

(a) Financial Ability. Developer represents and warrants to the Agency that Developer and its members are solvent and are in sound financial condition and Developer has no current intention of filing or seeking protection under any bankruptcy laws.

(b) Employment Plan. In accordance with the provisions of the Agency's employment plan policy adopted June 3, 1992, as amended June 6, 2001 relating to a build to suit owner project, with respect to the Project, Developer shall:

(i) Provide the Agency with a list and amount of all contracts to be let for the construction of the Project, with the exception of the contract for a general contractor.

(ii) Contact the City to identify the vendors in the City's Minority Vendors Directory.

(iii) Notify these vendors of all construction contracts to be let for the Project. A copy of this notification shall be submitted to the Agency.

(iv) Prepare an employment plan, as required by NRS 279.482(2), which is attached to this Agreement as Exhibit "F".

1.14 Developer Note.

(a) Subject to the satisfaction of the conditions contained in Section 1.15 below, the Agency agrees to issue to Developer a Special Limited Obligation Tax Increment Revenue Developer Note (the "*Note*") assignable by Developer pursuant to Section 4.1(b) below, and the Depository, if any, pursuant to Section 4.1(b) below shall hold such Note for the benefit of Developer and/or Recognized Lender(s), to reimburse hard and soft costs to construct and develop Qualified Improvements with respect to the Project. The Note shall be substantially in the form of Exhibit "G" attached hereto. The principal amount of the Note shall equal the total amount of Qualifying Expenditures. No later than May 15 of the applicable year, Developer shall file with the Agency a certification of the Qualifying Expenditures expended to construct and develop Qualified Improvements with respect to the Project, as of the date of the certificate. The Agency agrees to issue the Note within sixty (60) days after the later of (i) the date that Developer has complied with the conditions of Section 1.15(a) below including the delivery of a completed Certificate of Qualifying Expenditures; and (ii) the date the Agency has made its determinations under Section 1.15(a) below, *provided, however*, that the Note shall only be issued between March 15 and June 30 of each year. Developer agrees that if such sixty (60) day period expires after June 30, the Note will not be issued until March 15 of the next year.

(b) The Note shall have a term commencing on the date of issuance and maturing on the earlier of (i) twenty years after the date of issuance or (ii) March 5, 2031 (the "*Maturity Date*"). The Note shall bear interest thereunder at an annual rate equal to the lower of (A) ____ percent (_ %); or (B) a rate equal to three hundred (300) basis points over the Bond Buyer 20-Bond Index quoted in the Bond Buyer published by Thompson Financial in that edition published nearest to the date of issuance of the Note. The principal amount of the Note shall be payable in equal annual installments commencing on the anniversary date of the issuance of the Note which falls immediately after the taxing authorities have collected Available

Accrued Taxes and on the same date each year thereafter. Accrued unpaid interest shall be paid with each installment of principal. The Parties agree that a fee of one-half of one percent (0.05%) of the amount of each payment to Developer shall be paid to the Agency as an administration fee for the Note, notwithstanding anything to the contrary in the Application. All payments shall first be applied (I) to such administration fee; (II) to accrued unpaid interest; and then (III) to principal. All unpaid principal and accrued interest shall be payable upon the Maturity Date.

(c) In the event that (i) the Maturity Date of the Note is March 5, 2031 and the Note has not been paid in full on the Maturity Date; and (ii) at such Maturity Date the termination date of the Agency's Redevelopment Plan has been extended past March 5, 2031, then the Note will have a Maturity Date of the earlier of (x) the extended date of the Agency's Redevelopment Plan; or (y) twenty years from the date the Note was originally issued if such extended termination date of the Agency's Redevelopment Plan is later than twenty years from the date on which the Note was originally issued. In such case, the remaining unpaid principal balance under the Note shall be paid in equal annual installments over such extended term payable on the respective due dates for the payment of principal under the Note along with interest thereon.

(d) "*Available Accrued Taxes*" shall mean the product of sixty-one percent (61%) (rounded to the nearest one cent (\$.01)) multiplied by the Agency Share of Real Estate Taxes. The "*Agency Share of Real Estate Taxes*" equals the Real Estate Taxes paid from time to time in connection with the Project, including land and improvements, minus each of the following: (i) the portion of taxes paid (eighteen percent (18%) of taxes received by the Agency under NRS 279.676 with respect to the Project) which is required to be used providing low income housing pursuant to NRS 279.685; (ii) the Real Estate Taxes paid based on the then current tax rate applied against the fiscal year 2007 - 2008 assessed value of the property on which the Project is located, including land and improvements, if any; (iii) the Real Estate Taxes paid with respect to the Project that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of; and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, as provided in NRS 279.676(l)(c); (iv) the Real Estate Taxes paid with respect to the Project that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, as provided in NRS 279.676(l)(d); and (v) any other portion of the Real Estate Taxes paid with respect to the Project which is not transferred to the Agency under NRS 279.676. "*Real Estate Taxes*" means the ad valorem real estate taxes paid in connection with the Project and shall not include any other taxes or assessments against the Project.

(e) Payment of the Note will be payable only from Available Accrued Taxes. On the Maturity Date all unpaid principal and accrued interest shall be abated to the extent that on such date there are not sufficient Available Accrued Taxes to pay such sums, and the Agency shall be discharged of its obligation to pay the same. In the event by any installment payment date the Agency has not accrued sufficient Available Accrued Taxes to pay the full principal and interest installment payment due under the Note, then the Agency shall make a partial payment equal to then Available Accrued Taxes to Developer, and any deficit shall be

accrued and payable together with interest and the next installment payment at the next anniversary.

(f) The principal and interest due and payable on the Note: (i) do not constitute an indebtedness of the Agency other than from the Available Accrued Taxes; (ii) are not payable from, nor are they a charge upon, any funds of the Agency other than the Available Accrued Taxes; (iii) are not backed by the full faith and credit of the Agency; and (iv) are not secured by a pledge of the taxing power of the Agency for the payment of the Note other than to the extent of Available Accrued Taxes. Developer agrees that (A) the only obligation of the Agency in connection with the Note is to pay Available Accrued Taxes on the terms and conditions set forth in this Agreement; and (B) in the event Available Accrued Taxes are not sufficient to pay any installments of principal or interest when due under a Note or the principal balance and interest remaining unpaid at the final maturity date of a Note, neither the Agency, the City nor any agency thereof shall be liable for any amounts unpaid under the Note. Developer agrees that the Agency will not take any steps to qualify interest on the Note as exempt from federal taxation and Developer recognizes that the interest payable on the Note shall not be tax exempt.

(g) Agency and Developer hereby agree that Developer may submit written recommendations for changes and amendments to this Agreement that may be needed to accomplish the purposes of this Agreement. By way of example, and not limitation, if the subordination to future Agency debt contained in Section 1.16(b) hereof is causing a financial hardship to the Project, Developer may make recommendations to ameliorate such hardships. Developer agrees, however, that the Agency may reject any such recommendations at the Agency's sole and unfettered discretion.

1.15 Conditions Precedent to Issuance of Special Limited Obligation Tax Increment Revenue Developer Note.

(a) The Note shall be issued for the Project upon the satisfaction of the following conditions: (i) the Agency has determined that the improvement plans for the Project are in compliance with the Declaration; (ii) the City has approved the improvement plans for the Project; and (iii) the Certificate of Completion has been issued by the Agency. Prior to the issuance of the Note, Developer shall submit to the Agency (A) a written certification in a form reasonably acceptable to the Agency by which Developer certifies the Qualified Expenditures for the Project; and (B) such supportive evidence and documentation reasonably required by the Agency establishing that the Qualified Expenditures were in fact incurred. Such evidence and documentation may include an affidavit of an authorized representative of Developer, accompanied by receipts for paid invoices and/or cancelled checks.

(b) Notwithstanding anything to the contrary herein, (i) the aggregate amount of principal and interest payable under the Note shall not exceed the Agency's reasonable estimate of the present value (using the interest rate and term of the Note) of Projected Available Accrued Taxes for the Project; and (ii) payments of principal and interest on the Note shall be scheduled to be made at such time as the Agency estimates Available Accrued Taxes will have been received in a sufficient amount to make such payments. "*Projected Available Accrued Taxes*" for the Project shall be the Available Accrued Taxes projected to be

derived from the Project over the term of the Note. In calculating Projected Available Accrued Taxes, reasonable assumptions shall be used by the Agency as to future increases and decreases to the applicable tax rate and the assessed value of total development costs for the Project. The Note will not be issued with a maturity of less than one (1) year, nor, without the prior written consent of the Agency which may be withheld or granted at the Agency's sole discretion, on or after a date that is ten (10) years after the date of this Agreement.

1.16 Note Subordinate

(a) Payment of the Note from Available Accrued Taxes will be subordinate to the repayment of the Agency's pre-existing debt ("*Agency's Pre-Existing Debt*") which is outstanding at the time such Note is issued, other than Agency debt to the City, including any debt issued after such date for the purpose of refunding the then outstanding principal balance of such Agency's Pre-Existing Debt.

(b) Payment of the Note from Available Accrued Taxes will also be subordinate to the repayment of the Agency's debt ("*Agency's Future Debt*", which term does not include any Agency debt owed to the City) which is issued hereafter as parity or subordinate Additional Parity Obligations or Subordinate Obligations as defined in and issued in accordance with the 1995B Indenture if, and only if, the chief financial officer of the Agency files a certificate prior to any issuance of such Agency's Future Debt establishing that the reasonably projected aggregate amount of the incremental increase in property taxes to be generated by all property within the Redevelopment Area over the remaining term of the Note, minus the aggregate amount of such incremental taxes to be set aside for low-income housing pursuant to NRS 279.685 and minus the aggregate remaining debt service on the Note, equals at least one hundred fifteen percent (115%) of the reasonably projected debt service on all then outstanding Agency's Pre-Existing Debt and on all then outstanding plus the proposed to be issued Agency's Future Debt in each year in which the Note is to be outstanding. The Agency shall provide Developer with an executed copy of such certificate upon Developer's written request.

1.17 Assignment. The Note may be assigned by Developer to any purchaser of the Project (other than Condominium Unit Owners). For this purpose, only a purchaser of a material portion of the retail component of the Project shall be deemed the purchaser of the Project. Except for such assignment, the Note may not be assigned by Developer without the Agency's written consent, which the Agency may in its sole discretion determine to grant or not grant. Notwithstanding anything to the contrary contained herein, no assignment of this Agreement shall be effective without the prior written consent of each Recognized Lender in accordance with Section 4.2 below.

1.18 Miscellaneous Agency Obligations. In accordance with the Schedule of Performance, the Agency staff will assist Developer in obtaining all necessary permits and in meeting all regulatory requirements associated with the development of the Site.

1.19 Acknowledgement of Bond Covenants. The Agency has issued the Bonds for the purpose of financing certain undertakings by the Agency in connection with the Redevelopment Area. Under the Indentures, the rights, but not the obligation, of the Agency under this Agreement have been pledged by the Agency to the owners of the Bonds as security for the Bonds. Developer understands and acknowledges that, under the Indentures, the trustees

on behalf of the Registered Owners (as defined in the Indentures) shall be entitled to enforce the provisions of this Agreement against the occurrence of any event of default as set forth therein.

1.20 General Representations. The Agency and Developer each represent and warrant for itself that:

(a) This Agreement and all agreements, instruments and documents herein provided to be executed are each a duly executed and binding agreement, instrument and document of the Party executing the same.

(b) This Agreement does not now or shall not hereafter breach, invalidate, cancel, make inoperative or interfere with any contract, agreement, instrument, mortgage, deed of trust, promissory note, lease, bank loan or credit agreement to which Developer is subject.

2. DEVELOPMENT OF THE SITE

2.1 Scope of Development. The Site shall be developed as provided in the Scope of Development, as amended from time to time as mutually agreed upon in writing between Developer and the Agency, the Declaration, the Union Park Documents, and the Requirements. Developer may amend the Scope of Development provided that any such amendment is approved by the Agency which approval shall not be unreasonably withheld.

2.2 Project Design. The Project shall be designed and developed as generally established in the Scope of Development, the Declaration and the Union Park Documents. Developer shall submit to the Agency such documentation as required by the Agency to establish compliance with this Agreement. Any changes to the Scope of Development shall be submitted to the Agency for approval which approval shall not be unreasonably withheld or delayed. The Project as approved pursuant to the Declaration, the Union Park Documents and the Requirements is hereinafter referred to as the "*Approved Project*".

2.3 Construction of Project. Developer agrees to construct all improvements on the Site in substantial conformance with the Approved Project.

2.4 Agency Approval of Changes in the Construction Plans and Drawings. If Developer desires to make any material change to the Approved Project, Developer shall submit the proposed change to the Agency for its review to assure compliance with the Scope of Development and the Approved Project. The Agency shall notify Developer in writing within sixty (60) days after receipt of its approval or disapproval which shall be at the Agency's sole discretion. Such change in the Approved Project shall, in any event, be deemed approved by the Agency unless rejected in good faith, in whole or in part, by written notice thereof to Developer setting forth in detail the reasons therefor and such rejection shall be made within the said sixty (60) day period.

2.5 Cost of Construction. The cost of developing the Site and constructing all improvements thereon shall be borne by Developer and the Agency shall have no responsibility or obligation in connection therewith.

2.6 Construction Schedule. Subject to Section 6.2 below, Developer shall use good faith efforts to commence and complete all construction and development within the times specified in the Schedule of Performance, the Declaration or such reasonable extension of said dates as provided in Section 6.2 of this Agreement.

2.7 Insurance and Indemnification.

(a) Developer shall obtain and maintain during the existence of this Agreement, general comprehensive liability (bodily injury, property damage) and automobile liability insurance for not less than One Million Dollars (\$1,000,000) combined single limit per occurrence. If such policy is on a "claims made" basis, then coverage shall be maintained in effect for one (1) year after the issuance of the final Certificate of Completion. Developer shall obtain and maintain course of construction insurance during the construction phase of this Agreement. Developer shall obtain and maintain during the existence of this Agreement industrial/worker's compensation insurance (job-related sickness, injury, or accident) in sufficient amounts as to hold the Agency and City harmless for all work encompassed in this Agreement performed by Developer.

(b) Developer shall furnish or cause to be furnished to the Agency certificates of insurance or endorsements evidencing the coverage required herein concerning any demolition or construction on the Site.

(c) Developer will provide renewal certificates for insurance coverage required herein that expires during the existence of this Agreement within sixty (60) days following the expiration date of said insurance.

(d) The Agency, its officers, employees and agents must be expressly covered as insured parties under the insurance coverage required herein if such coverage is reasonably available.

(e) The insurance coverage required herein must provide for a thirty (30) day written notice to the Agency before any amendments, modifications, suspension, cancellations, reductions or non-renewal of coverage. This notice requirement does not waive the insurance requirements contained herein.

(f) In the event Developer fails to obtain, or maintain the insurance required herein, the Agency shall have the right, in addition to the remedies available under Section 5 below, to pay the premium to reinstate the insurance coverage which Developer has failed to maintain or to procure substitute insurance coverage, which in either case the Agency shall be entitled to collect the cost thereof from Developer or deduct the same from any sums due Developer under this Agreement.

(g) In addition to the insurance requirements of this Section 2.7(g), Developer shall assume and be responsible for, and shall protect, indemnify, defend and hold harmless the Agency and the City, and their respective officers, members, consultants, agents and employees, from and against any and all claims, demands, liabilities, losses or costs, including reasonable attorneys' fees and court costs, including any claims relating to the construction, development or operation of the Project or any part thereof, including, without

limitation, the marketing and sale of Condominium Units or any claims related to the quality or fitness of the construction of the Project or any elements of the Project, including, without limitation, Condominiums, or for injuries to or the death of any person or persons or damages to property, including property of the Agency or the City, which may arise out of or in any manner be connected with the performance of the obligations under this Agreement or resulting in any way from this Agreement or the development, construction or operation of the Project or part thereof excluding any claims, demands, liabilities, losses or costs resulting from the acts or omissions of the City, Agency, and any of their respective officers, members, consultants, agents and employees.

(h) Developer shall also furnish or cause to be furnished evidence satisfactory to the Agency that any contractor with whom it has contracted for performance of the work on the site carries worker's compensation insurance required by law.

2.8 City, Agency, and Other Governmental Permits. Before Commencement of Construction or development of any buildings, structures or other work of improvement upon the Site, Developer shall secure or cause to be secured any and all necessary permits which may be required by the City or any other applicable governmental agency affected by such construction, development or work. The Agency staff shall provide commercially reasonable assistance to Developer in securing these permits. Developer hereby agrees and acknowledges that (a) Agency review of any elements of the Project is for the sole purpose of assuring compliance with this Agreement; (b) that nothing in this Agreement operates as a development approval, permit or entitlement for the development/construction of the Project; and (c) that Developer will be required to obtain all reviews, approvals and permits required for the construction of the Project. The Agency hereby agrees and acknowledges that (i) the Agency's review of any elements of the Project is for the sole purpose of determining compliance with this Agreement, including the determination of compliance with this Agreement for the issuance of the Note; and (ii) Agency approval shall not be required for the design and construction of the Project. The Agency agrees that any review and action required under this Agreement by the staff of the Agency shall be completed and notice thereof provided to Developer within fifteen (15) days after Developer's request under this Agreement for a determination by the staff of the Agency.

2.9 Rights of Access. For the purposes of assuring compliance with this Agreement, representatives of the Agency and the City shall have the right of reasonable access to the Site without charges or fees and at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. Such representatives of the Agency or the City shall be those who are so identified in writing by the Executive Director of the Agency and who shall, except in an actual emergency, give prior notice of such Site visits. The Agency and City shall indemnify Developer and hold it harmless from any damage caused or liability arising out of this right to access.

2.10 Compliance with Local, State and Federal Laws. Developer recognizes that this Agreement will result in the Agency providing financial incentives to Developer in excess of One Hundred Thousand Dollars (\$100,000). In accordance with NRS 279.500, Developer agrees that the Project is subject to the Prevailing Wage Act, NRS 338.010 through

338.094, inclusive. Developer agrees to comply with the Prevailing Wage Act and all other provisions of NRS that are applicable to the Project because of the issuance of the Note. Developer shall obtain a State of Nevada Public Works Number as required by the State Labor Commissioner.

Developer shall use the State Labor Commissioner's prevailing rate of per diem wages in the locality in which the improvements are to be constructed for each craft or type of workman needed to construct the improvement. Subject to the provisions of applicable law, Developer agrees not to pay less than the specified prevailing rate of wages to the contractor and its employees selected to construct the improvements. Developer will include the substance of the prevailing wages requirement of this Section 2.10 as contractual language in all contracts and lower tier subcontracts. In addition, all solicitations and contracts shall contain the applicable prevailing wage rates. Developer will monitor compliance to the payment of prevailing wages pursuant to Nevada Administrative Code §338.

Developer shall require that the selected contractor keep accurate records showing the name, occupation and actual per diem wages paid to each employee used in connection with construction of the improvements. Such records shall be open to inspection and reproduction by the Agency during normal business hours. Developer will send one (1) copy of each wage report to the attention of the City of Las Vegas Purchasing and Contracts Manager, City Hall, 400 Stewart Ave., Las Vegas, Nevada, 89101.

2.11 Anti-Discrimination during Construction. Developer, for itself and its successors and assigns, agrees that in the construction of the Project provided for in this Agreement, Developer will not discriminate for or against any employee or applicant for employment because of race, color, creed, religion, sex, age, ancestry, or national origin.

2.12 Agency Approval of Operating Covenants, and Reciprocal Easement Agreements. Upon written request delivered by the Agency to Developer, Developer shall deliver true and correct copies to the Agency of any operating covenants and reciprocal easement agreements that Developer may enter into during construction of the Project. Any review by the Agency shall be for informational purposes only and not for approval by the Agency.

2.13 Certificate of Completion. A "*Certificate of Completion*" for the Project shall be issued by the Agency after completion of all construction of the Project and Developer has executed the Certificate of Completion and delivered the Certificate of Completion, in the form attached hereto as Exhibit "H" along with the Agreement to be Recorded Affecting Real Property, in the form attached hereto as Exhibit "I" required of Developer. The Certificate of Completion for the Project and the Agreement to be Recorded Affecting Real Property shall be recorded in the Recorder's Office.

The Certificate of Completion shall be, and shall so state therein that it is, a conclusive determination of (i) the satisfactory completion of the construction required by this Agreement; and (ii) the total compliance with the terms hereof. The issuance by the City of a certificate of completion for the Project (provided the Project is in compliance with the Scope of Development) shall be prima facie evidence of the satisfactory completion of the construction required by this Agreement.

After issuance of the Certificate of Completion, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Project shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement, except that such party shall be bound by any covenants contained in the Agreement to be Recorded Affecting Real Property. Except as otherwise provided herein, after the issuance of the Certificate of Completion, neither the Agency, the City nor any other person shall have any rights, remedies or controls with respect to the Project or such portion thereof that it would otherwise have or be entitled to exercise under this Agreement as a result of a default in or breach of any provision of this Agreement, and the respective rights and obligations of the Parties with reference to the Site shall be as set forth in Sections 3.1 to 3.4 inclusive of this Agreement.

The Agency shall not unreasonably withhold a Certificate of Completion. If the Agency refuses or fails to furnish the Certificate of Completion after written request from Developer, the Agency shall, within fifteen (15) days of such written request, provide Developer with a written statement of the reasons the Agency refused or failed to furnish the Certificate of Completion. The statement shall also contain the Agency's opinion of the action Developer must take to obtain a Certificate of Completion.

3. USE OF THE SITE

3.1 Uses. Developer covenants and agrees for itself, its successors, assigns and every successor in interest that during construction and thereafter, the Site shall be devoted only to the uses specified or permitted in this Agreement, the Declaration and the Redevelopment Plan, for the periods of time specified in Section 3.4 below. The foregoing covenants shall run with the land.

3.2 Maintenance. Developer hereby covenants and agrees for itself, its successors, assigns and every successor in interest to maintain the improvements on the Site and keep the Site free from any material accumulation of debris or waste materials and to maintain the landscaping required to be planted in accordance with the Plans and Drawings in a healthy condition. If at any time Developer, or its successors in interest, shall fail to keep the Site free of a material accumulation of debris or waste materials or to maintain said landscaping in a healthy condition, and said condition is not corrected within thirty (30) days after written notice from the Agency or such longer period as may be reasonably necessary provided that Developer is pursuing such correction diligently, either the Agency or the City may perform the necessary cleanup or landscape maintenance, and Developer, or its successors in interest, shall pay such costs as are reasonably incurred for such cleanup or landscape maintenance. The foregoing covenants shall run with the land.

3.3 Obligation to Refrain from Discrimination. Developer covenants by and for itself, its successors, assigns and every successor in interest to the Site or any part thereof that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy

of tenants, lessees, subtenants, sublessees or vendees of the Site. The foregoing covenants shall run with the land.

3.4 Effect and Duration of Covenants. Except as otherwise provided, the covenants contained in this Agreement shall remain in effect until the Maturity Date. The covenants against discrimination shall remain in effect in perpetuity. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Agency, its successors and assigns, the City and any successor in interest to the Site or any part thereof.

The Agency is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. This Agreement and the covenants shall run in favor of the Agency without regard to whether the Agency has been, remains or is an owner of any land or interest therein in the Site, any parcel or subparcel, or in the Redevelopment Area. The Agency shall have the right, if any of the terms of this Agreement are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and the covenants may be entitled pursuant to Section 5.1 below.

4. LENDER PROVISIONS. Notwithstanding anything to the contrary contained herein:

4.1 Consent to Assignment.

(a) Developer shall have the right, without the consent of the Agency, to (i) mortgage, pledge, assign, encumber or otherwise hypothecate all or any portion of its interest in the Project and/or all or any portion of the direct or indirect ownership interest in Developer to a Recognized Lender; or (ii) subject to Section 4.1(b) below collaterally assign this Agreement to a Recognized Lender, as the case may be, in connection with any mortgage and/or mezzanine financing being provided by a lender(s) (each such lender together with its respective successors and/or assigns, a "*Lender*") so long as such Lender(s) provide a notice of such financing (a "*Recognized Lender Notice*") to the Agency in substantially the form of notice attached hereto as Exhibit "J" and signed by Developer; *provided, however*, any successor, assignee, nominee or designee of a Recognized Lender shall not be deemed to be a Recognized Lender without sending a Recognized Lender Notice to Agency; *provided further however* that multiple lenders making one (1) loan which are represented by a single lender or agent shall be deemed to collectively be one (1) Lender.

(b) Developer shall have the right, without the consent of the Agency, to assign Developer's rights in the Note to an independent third party financial institution depository approved by the Agency ("*Depository*") on behalf of one or more Recognized Lender(s), which shall disburse such payments according to agreements between Developer, Recognized Lender(s) and Depository, which agreements shall, among other things, direct Depository to pass through payments to Developer until Recognized Lender(s) notify Depository to pass through payments to the Recognized Lender(s); *provided, however* that the Depository

must provide a Certificate to the Agency, the form of which is attached hereto as Exhibit “K”, at the time the Note is issued to the Depository and as may be requested by the Agency at the time of each annual payment on the Note.

(c) The following shall not require the consent or approval of the Agency nor constitute a breach of any provision of or a default under this Agreement: (i) the transfer or conveyance by Developer of all or any portion of the Project to a Recognized Lender pursuant to a mortgage loan from a Recognized Lender (a “*Recognized Mortgage Lender*”) or to any other person or entity, other than a Condominium Unit Owner (together with its successors and assigns, together with a Recognized Lender, collectively an “*Acquiring Party*”) as a result of or arising out of a foreclosure of, or any other enforcement proceeding with respect to, any mortgage, deed of trust or other security interest (each, a “*Mortgage*”) by a Recognized Mortgage Lender, whether judicial or non-judicial, including, without limitation, a foreclosure by virtue of any power of sale provision contained in any such Mortgage or the acceptance by a Recognized Mortgage Lender of a deed or assignment in lieu of a foreclosure; or (ii) the transfer or conveyance by a Recognized Mortgage Lender to any Acquiring Party pursuant to a sale or other conveyance after the acquisition of the Project pursuant to an action or proceeding set forth in the preceding subclause (c)(i); *provided, however* that, within twenty (20) days of notice of such transfer, the Agency may reasonably disapprove such transfer or conveyance if the Acquiring Party is not a Recognized Lender and (A) has been convicted of a felony; (B) has filed bankruptcy or is financially insolvent; (C) does not have substantially similar or better experience than Developer or its principals in operating a commercial real estate project of similar size; (D) has defaulted on an agreement or contract with the City in the previous ten (10) years; (E) has a reputation of dishonesty or ill repute in the Las Vegas, Nevada community; or (F) has not assumed this Agreement in writing.

(d) The following shall not require the consent or approval of the Agency nor constitute a breach of any provision of or a default under this Agreement: (i) the transfer of any direct or indirect ownership interest in Developer to a Recognized Lender or any other person or entity (together with its successors and assigns, together with a Recognized Lender, collectively an “*Equity Acquiring Party*”) by way of a foreclosure of, or other enforcement proceeding with respect to, any pledge of direct or indirect ownership interests of Developer by a Recognized Lender or the acceptance of a Recognized Lender of any assignment of such ownership interests in lieu of foreclosure or other proceeding; or (ii) by a Recognized Lender to an Equity Acquiring Party of ownership interests pursuant to an action or proceeding set forth in the preceding subclause (d)(i); *provided, however* that, within twenty (20) days of notice of such transfer, the Agency may disapprove such transfer or conveyance if the Equity Acquiring Party is not a Recognized Lender and (A) has been convicted of a felony; (B) has filed bankruptcy or is financially insolvent; (C) does not have substantially similar or better experience than Developer or its principals in operating a commercial real estate project of similar size; (D) has defaulted on an agreement or contract with the City in the previous ten (10) years; (E) has a reputation of dishonesty or ill repute in the Las Vegas, Nevada community; or (F) has not assumed this Agreement in writing.

4.2 Lender Rights. So long as the obligations of Developer in connection with any Recognized Financing with respect to the Project shall remain unsatisfied, the following provisions shall apply with respect to such Recognized Financing:

(a) There shall be no amendment, modification, termination, cancellation or, except as set forth in Section 4.1 above, assignment of this Agreement without in each case the prior consent in writing of each such Recognized Lender.

(b) Agency shall, upon serving Developer with any notice or other communication, whether of default or any other matter, including, without limitation the issuance of the Note, simultaneously serve a copy of such notice or other communication upon each such Recognized Lender at the address of such Recognized Lender set forth in the Recognized Lender Notice and no such notice or other communication to Developer shall be deemed given unless a copy is so served upon each Recognized Lender in the manner provided in Section 6.7 below for the giving of notices.

(c) Notwithstanding anything contained herein, if any default shall occur which, pursuant to any provision of this Agreement, entitles the Agency to exercise any right or remedy, including, the termination of this Agreement, the Agency will not exercise any such right or remedy (i) until it has sent written notice of such default to each Recognized Lender; and (ii) unless such Recognized Lender shall have failed within one hundred twenty (120) days after receipt of such notice referred to in clause (i) above to cure such default, or if such default is not reasonably susceptible of cure within one hundred twenty (120) days, such Recognized Lender shall not have commenced the cure within such one hundred twenty (120) days of receipt of such notice and thereafter diligently pursue such actions as may be necessary to cure such default but in no event longer than two hundred seventy (270) days. For the purposes of the foregoing sentence, it is agreed and acknowledged that the commencement of (A) proceedings to obtain possession of the Project with respect to a mortgage loan; and (B) proceedings to obtain the ownership interests of Developer with respect to a mezzanine loan, shall each be deemed to be commencement of a cure hereunder.

4.3 Acquisition by Acquiring Party. In the event that the ownership of the Project shall be acquired by an Acquiring Party, which has assumed the obligations under this Agreement, the Agency shall, upon notice by such Acquiring Party, attorn to such Acquiring Party and shall recognize such Acquiring Party as Developer and such Acquiring Party shall be entitled to all of the rights, benefits, and interests under this Agreement and the Note with the same force and effect as if such Acquiring Party was the original Developer hereunder, including the rights of Developer to receive any and all payments under the Note issued to Developer or the Depository, which are due and payable after the date that such Acquiring Party becomes the owner of the Project; but payment on the Note shall be made only to a registered owner thereof. Although the provisions of this Section 4.3 shall be self-operative, in order to confirm such attornment, upon the request of an Acquiring Party, the Agency shall execute and deliver to such Acquiring Party an agreement of attornment in form and content reasonably satisfactory to such Acquiring Party, confirming the foregoing attornment. Nothing herein contained shall be construed however, to obligate an Acquiring Party or Equity Acquiring Party to cure any default by Developer occurring prior to any date on which such Acquiring Party or Equity Acquiring Party shall succeed to the rights of Developer (the "*Acquisition Date*"), it being expressly agreed that under no circumstances shall such Acquiring Party or Equity Acquiring Party be obligated to remedy any such default. Notwithstanding anything to the contrary contained herein, in no event shall an Acquiring Party or Equity Acquiring Party be: (a) liable to Agency for any act or omission of Developer which was required to be performed prior to the Acquisition Date; (b)

subject to any offset or defense which Agency might have against Developer relating to the period occurring prior to the Acquisition Date; or (c) liable to Agency for any liability or obligation of Developer occurring prior to the Acquisition Date. Notwithstanding the foregoing, from the Acquisition Date, the Acquiring Party or Equity Acquiring Party shall be required to (i) build the Project as set forth in the Scope of Development, pursuant to Section 1.9 herein, in accordance with the Schedule of Performance; and (ii) otherwise comply with the covenants and requirements of this Agreement and all other documents and agreements to be executed in accordance with this Agreement in order for such Acquiring Party or Equity Acquiring Party to be entitled to the rights and benefits set forth under this Agreement to which Developer would be entitled upon such performance.

4.4 Estoppels. Agency, within thirty (30) days after a request in writing, shall furnish an estoppel certificate in the form attached hereto as Exhibit "L" for purchasers of the Project (other than Condominium Units), Recognized Lenders or an Acquiring Party.

4.5 Developer Obligations. Nothing contained in this Agreement, however, shall be construed to obligate any Recognized Lender to perform any of Developer's obligations under this Agreement, unless such Recognized Lender shall be an Acquiring Party or Equity Acquiring Party pursuant to Section 4.1 above, subject to the provisions of Section 4.3 above.

4.6 Personal Liability. No Recognized Lender, any other Acquiring Party or Equity Acquiring Party succeeding to the interest of Developer under this Agreement shall have any personal liability as successor to Developer, and Agency shall look only to the interests of such Recognized Lender in and to the Site or proceeds therefrom, any other Acquiring Party or Equity Acquiring Party, as the case may be, in and to the Project or the proceeds thereof for the satisfaction of Agency's remedies in the event of any default by such entity, as Developer, under this Agreement, and no other assets of Recognized Lender, or any other Acquiring Party or Equity Acquiring Party shall be subject to levy, execution, or other enforcement procedure for the satisfaction of Agency's remedies under or with respect to this Agreement.

5. DEFAULTS, REMEDIES AND TERMINATION

5.1 Event of Default by Developer. If during the existence of this Agreement, Developer:

(a) Transfers or assigns, or attempts to transfer or assign the rights, benefits or duties under this Agreement, or in the Site or any improvements thereon, contrary to the provisions of Sections 1.8 or 4 above;

(b) Fails to use good faith efforts to proceed with and complete, or abandons or substantially suspends, except as permitted by Section 6.2 below, the construction of the Project as required by the Declaration;

(c) Fails to use good faith efforts, except as permitted by Section 6.2 below, (i) to either comply with the requirements of the Scope of Development; (ii) meet the deadlines set forth in the Schedule of Performance or (iii) proceed in a timely manner with the Project as required by the Declaration;

(d) Fails to substantially complete the Project as required by the Declaration subject to Section 6.2 below; or

(e) Fails to perform any other material obligation imposed under the provisions of this Agreement or the Declaration,

then, the occurrence of any of the foregoing events (each a “*Developer Event of Default*”) shall constitute a breach in the performance of the obligations imposed upon Developer and shall entitle the Agency to the remedies, and only the remedies hereinafter set forth, if, after receiving thirty (30) days written notice of default from the Agency, Developer has failed to cure, or to commence a cure and diligently pursue it to completion (which in no event is to exceed sixty (60) days).

5.2 Agency Obligations. If during the existence of this Agreement, the Agency fails to perform any material obligation imposed under the provisions of this Agreement (an “*Agency Event of Default*”), then, Developer shall have the remedies, and only the remedies, hereinafter set forth, if, after receiving thirty (30) days written notice from Developer, the Agency has failed to cure, or to commence a cure and diligently pursue it to the completion (which in no event is to exceed sixty (60) days).

5.3 Institution of Legal Action. Any legal action to enforce the rights and remedies provided herein must be instituted in the District Court of the County of Clark, State of Nevada, or, alternatively, in the Federal District Court in the State of Nevada, if jurisdiction therein is appropriate.

5.4 Service of Process. In the event that Developer commences any legal action against the Agency, service of process on the Agency shall be made by personal service upon the Secretary of the Agency or in such other manner as may be provided by law.

5.5 Remedy of Developer. Upon the occurrence of an Agency Event of Default prior to the issuance of the Note, Developer shall have the sole remedy of requiring specific performance of the Agency’s obligations hereunder, including, without limitation, the issuance of the Note. The Agency shall not be liable for the payment of money damages.

5.6 Termination. During the existence of this Agreement and upon the occurrence of a Developer Event of Default prior to the issuance of the Note, the Agency shall have the right to terminate this Agreement, and this Agreement shall so terminate, on the date that the written notice of termination is received by Developer or such other date as may be specified in the written notice.

6. GENERAL PROVISIONS

6.1 Conflicts of Interest. No member, official or employee of the Agency shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his, her or its personal interests or the interests of any corporation, partnership or association in which he, she or it is directly or indirectly interested.

Developer warrants that it has not paid or given, and will not pay or give, any third person other than Developer's attorneys and consultants any money or other consideration for negotiating and obtaining this Agreement.

6.2 Unavoidable Delay; Extension of Times of Performance. The performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to any of the following (provided that such delay or default is beyond a Party's reasonable control) ("*Unavoidable Delay*"): war, insurrection, civil commotion, strikes, slowdowns, lock outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, acts of terrorism, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental moratoriums, unusually severe or abnormal weather conditions, failure of utilities, or a court order which causes a delay (unless resulting from disputes between or among the Party alleging an Unavoidable Delay, present or former employees, officers, members, partners or shareholders of such alleging Party or Affiliates (or present or former employees, officers, partners, members or shareholders of such Affiliates) of such alleging Party). In no event shall any of the following constitute an Unavoidable Delay with respect to a Party: (a) any Party's financial condition or inability to fund or obtain funding or financing; (b) any change in the management or ownership of a Party; or (c) the application to a Party of any Requirement. In connection with Developer's obligations under this Agreement, Unavoidable Delay shall include (i) any delay resulting from the failure of any element of the Infrastructure Improvements being completed by the completion dates set forth in the Schedule of Performance which causes actual delay in Developer's performance of its obligations; and (ii) any failure of CPV to perform its obligations under the PEMA which causes actual delay in Developer's performance of its obligations. Such Party shall use reasonable good faith efforts to notify the other Party not later than twenty (20) days after such Party knows of the occurrence of an Unavoidable Delay. An extension of time for an Unavoidable Delay shall only be for the period of the Unavoidable Delay, which period shall commence to run from the time of the commencement of the cause of the Unavoidable Delay. Times of performance under this Agreement may also be extended in writing by the Agency and Developer at their respective sole discretion.

6.3 Inspection of Books and Records. The Agency has the right, upon not less than seventy-two (72) hours notice, at all reasonable times, to inspect the books and records of Developer pertaining to the Site as pertinent to the purposes of this Agreement.

Developer also has the right, upon not less than seventy-two (72) hours notice, at all reasonable times, to inspect the books and records of the Agency pertaining to the Site and to the receipt of tax revenues as pertinent to the purposes of this Agreement.

6.4 Attorneys' Fees. In the event either Party hereto is required to employ an attorney because of the other Party's default, the defaulting Party shall pay the non-defaulting Party's reasonable attorney's fees incurred in the enforcement of this Agreement.

6.5 Time of the Essence. Time is of the essence of this Agreement and every obligation hereunder.

6.6 Non-Liability of Agency Officials and Employees. No member, official or employee of the Agency shall be personally liable to Developer for any default or breach by

the Agency, for any amount which may become due to Developer or for any obligation of the Agency under the terms of this Agreement.

6.7 Notices. All notices, consents, requests, demands and other communications provided for herein shall be in writing and shall be deemed to have been duly given if and when personally served or forty-eight (48) hours after being sent by United States registered mail, return receipt requested, postage prepaid; personal delivery; facsimile transmission or e-mail electronic submission, to the other Party at the following respective addresses, facsimile number or e-mail address or such other address, facsimile number or e-mail address as either Party may from time to time designate in writing:

If to the Agency: City of Las Vegas Redevelopment Agency
c/o Office of Business Development
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Phone: (702) 229-6151
Fax: (702) 385-3128
Email: sadams@lasvegasnevada.gov
Attn: Scott D. Adams, Operations Officer

And: City Attorney Office
City Hall, Ninth Floor
400 Stewart Avenue
Las Vegas, NV 89101
Phone: (702) 229-6629
Fax: (702) 368-1749
Email: tponticello@lasvegasnevada.gov

And: Newland Communities, LLC
2300 West Sahara Avenue Suite 750, Box 4
Las Vegas, Nevada 89102
Phone: (702) 220-8090
Fax: (702) 220-7636
Email: rbrandin@newlandcommunities.com
Attn: Rita Brandin

If to Developer: Heritage-Nevada VIII, LLC
421 North Beverly Drive, Suite 350
Beverly Hills, CA 90210
Phone: (310) 888-1882
Fax: (310) 888-8838
Email: dparks@probityinternational.com and
mtenner@probityinternational.com
Attn: Dan Parks and Michael Tenner

And: Snell & Wilmer L.L.P.
3883 Howard Hughes Parkway, Suite 1100
Las Vegas, NV 89169
Phone: (702) 784-5227
Fax: (702) 784-5252
Email: jmace@swlaw.com
Attn: Jim Mace

6.8 Subsequent Agency Approvals. Any approvals of the Agency required or permitted by the terms of this Agreement are authorized to be given by the Executive Directors of the Agency or such other person that the Agency designates in writing to Developer unless approval of the City Council is required. If there is no time specified herein for the Agency's approval, Developer may submit a letter requiring the Agency's approval within thirty (30) days after submission to the Agency or such approvals shall be deemed granted unless approval of the City Council is required.

6.9 Entire Agreement and Waivers. This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement, the DDA and the respective exhibits thereto constitute the entire understanding and agreement between the Parties and is intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof, and the complete and exclusive statement of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. In the event of a conflict between the terms of this Agreement and the DDA, the terms of this Agreement shall control.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Agency and Developer and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision.

6.10 Amendments to this Agreement. Developer and the Agency agree to mutually consider reasonable requests for amendments to this Agreement which may be made by any of the parties hereto, lending institutions, or bond counsel or financial consultants to the Agency, provided such requests are consistent with this Agreement and would not substantially alter the basic business terms included herein. All amendments hereto must be in writing and signed by the appropriate authorities of the Agency and Developer.

6.11 Amendment of Redevelopment Plan. The Agency will give Developer notice of amendments to the Redevelopment Plan as required by NRS 279.608 applying to the Redevelopment Area, but shall not be required to obtain the consent of Developer; *provided, however*, that Developer shall have the right to participate in any public hearings required by said NRS 279.608. Notwithstanding the foregoing, Developer's consent shall be required for any amendment that would remove all or any portion of the Site from the Redevelopment Area, or that would terminate the Redevelopment Plan prior to March 5, 2031.

6.12 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be

invalidated, it shall be deemed to be severed from this Agreement and the remaining provisions shall remain in full force and effect.

6.13 Governing Law. The interpretation and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

6.14 Captions. The captions contained in this Agreement are for the convenience of the Parties and shall not be construed so as to alter the meaning of the provisions of the Agreement.

6.15 Counterparts. Each counterpart of this Agreement shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement. Delivery of this Agreement may be accomplished by facsimile transmission of this Agreement. In such event, the Parties hereto shall promptly thereafter deliver to each other executed counterpart originals of this Agreement.

6.16 No Third Party Beneficiaries. Nothing in this Agreement shall confer upon any Person, other than the Parties hereto and their respective successors and permitted assigns, any rights or remedies under or by reason of this Agreement.

6.17 Days. All references to “days” in this Agreement are to consecutive calendar days unless business days are specified.

6.18 Construction. The Parties acknowledge that each Party and its counsel have reviewed and approved this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

6.19 Time for Acceptance of Agreement by the Agency. This Agreement must be executed by Developer and delivered to the Agency within ten (10) business days from the date of approval by the Agency otherwise any approval by the Agency shall be null and void. This Agreement, when executed by Developer and delivered to the Agency, must be authorized, executed and delivered by the Agency within ten (10) business days from the date of signature by Developer or this Agreement shall be void, except to the extent that Developer consents in writing to further extensions of time for the authorization, execution and delivery of this Agreement. By executing this Agreement and submitting it to the Agency, Developer is making an irrevocable offer to enter into this Agreement, which offer shall continue for the period of time specified above. The effective date of this Agreement shall be the date when this Agreement has been signed by the Agency.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

AGENCY:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairperson

ATTEST:

BEVERLY BRIDGES, Secretary

APPROVED AS TO FORM:

By: Michael C. Neufeld ES6
Name: Michael C. Neufeld
Date 12/28/07

DEVELOPER:

HERITAGE-NEVADA VIII, LLC,
a Nevada limited liability company

By: Heritage-Delaware, LLC,
a Delaware limited liability company,
its Manager

By: _____
Robert Zarnegin, its Sole Member

Solely for purposes of Section 2.7 above:

CITY:

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

LIST OF EXHIBITS

EXHIBIT "A"	QUALIFIED IMPROVEMENTS
EXHIBIT "B"	SCOPE OF DEVELOPMENT
EXHIBIT "C"	DEVELOPMENT PARCELS
EXHIBIT "D"	LEGAL DESCRIPTION OF THE SITE
EXHIBIT "E"	DISCLOSURE OF PRINCIPALS
EXHIBIT "F"	EMPLOYMENT PLAN
EXHIBIT "G"	FORM OF NOTE
EXHIBIT "H"	FORM OF CERTIFICATE OF COMPLETION
EXHIBIT "I"	FORM OF AGREEMENT TO BE RECORDED AFFECTING REAL PROPERTY
EXHIBIT "J"	FORM OF RECOGNIZED LENDER NOTICE
EXHIBIT "K"	CERTIFICATE OF DEPOSITORY
EXHIBIT "L"	FORM OF ESTOPPEL CERTIFICATE

EXHIBIT "A"

QUALIFIED IMPROVEMENTS

<u>Category A</u>		<u>Estimated Cost</u>	<u>Category A</u>		<u>Estimated Cost</u>
1) Streets, Curbs, Gutters:	\$	<u>1,982,093</u>	10) Paving/Driveways:	\$	<u> </u>
2) Water Lines:	\$	<u>180,000</u>	11) Flood Control:	\$	<u> </u>
3) Sanitary Sewer Lines:	\$	<u>0</u>	12) Mass/Public Transit Facilities:	\$	<u> </u>
4) Storm Drainage Facilities:	\$	<u> </u>	13) Culverts, Manholes:	\$	<u> </u>
5) Ramps/Roads/Bridges:	\$	<u> </u>	14) Off-Street Parking Structures:	\$	<u>97,016,314</u>
6) Retaining Walls/Tunnels	\$	<u> </u>	15) Landscaping/Fencing:	\$	<u>0</u>
7) Artificial Lighting	\$	<u> </u>	16) Site Work/Grading:	\$	<u>2,554,951</u>
8) Traffic Signals:	\$	<u> </u>	17) Walkways:	\$	<u> </u>
9) Sidewalks:	\$	<u> </u>	18) Signage:	\$	<u>550,000</u>
			TOTAL CATEGORY A		<u>\$102,283,358</u>
<u>Category B</u>		<u>Estimated Cost</u>	<u>Category B</u>		<u>Estimated Cost</u>
1) Electrical Services:	\$	<u>55,000</u>	4) Telecom Services:	\$	<u> </u>
2) Utility Infrastructure:	\$	<u>2,771,473</u>	5) Utility Relocation:*	\$	<u> </u>
3) Utility Under-grounding:*	\$	<u> </u>	6) Other Items:	\$	<u> </u>
			TOTAL CATEGORY B		<u>\$ 2,826,473</u>
			GRAND TOTAL of A & B		<u>\$105,109,831</u>

EXHIBIT "B"

SCOPE OF DEVELOPMENT

Heritage-Nevada VIII, LLC, a Nevada limited liability company ("*Developer*") intends to purchase approximately 5.84 acres more or less of real property located within the real estate development owned by City Parkway V, Inc., a Nevada not-for-profit company ("*Owner*") and commonly referred to as Parcel E of Union Park.

The Developer intends to construct an approximately 1,350,000 square foot project referred to as the World Jewelry Center ("*WJC*"), consisting of an office and residential tower ("*Tower*"), which will include approximately 815,229 square feet of office and 139,052 square feet of residential condominiums, a conference center, private club, and related amenities. Additionally, the WJC will also have a retail center (the "*Retail Building*") with approximately 225,000 square feet of space to include various stores, restaurants and related services. The WJC will also have a parking structure, which will consist of one below and ten above grade levels. The parking structure will provide parking for the retail center as well as the Tower.

The Tower will be an iconic steel and glass building with 42 floors of Class A office and 10 floors of residential condominiums. The Tower exterior facades consist of architectural glass from the ground level to the 10th floor, a glass curtain wall and punched glass windows for the office floors, 11 through 42, and a glass curtain wall and punched glass windows with exterior balconies on the residential floors, 43 through 52. The Tower will offer trade-to-trade business, an advanced security system, secured shipping and receiving, a gem grading lab, educational facilities and a dedicated Foreign Trade Zone.

The Retail Building will have a concrete and glass exterior façade.

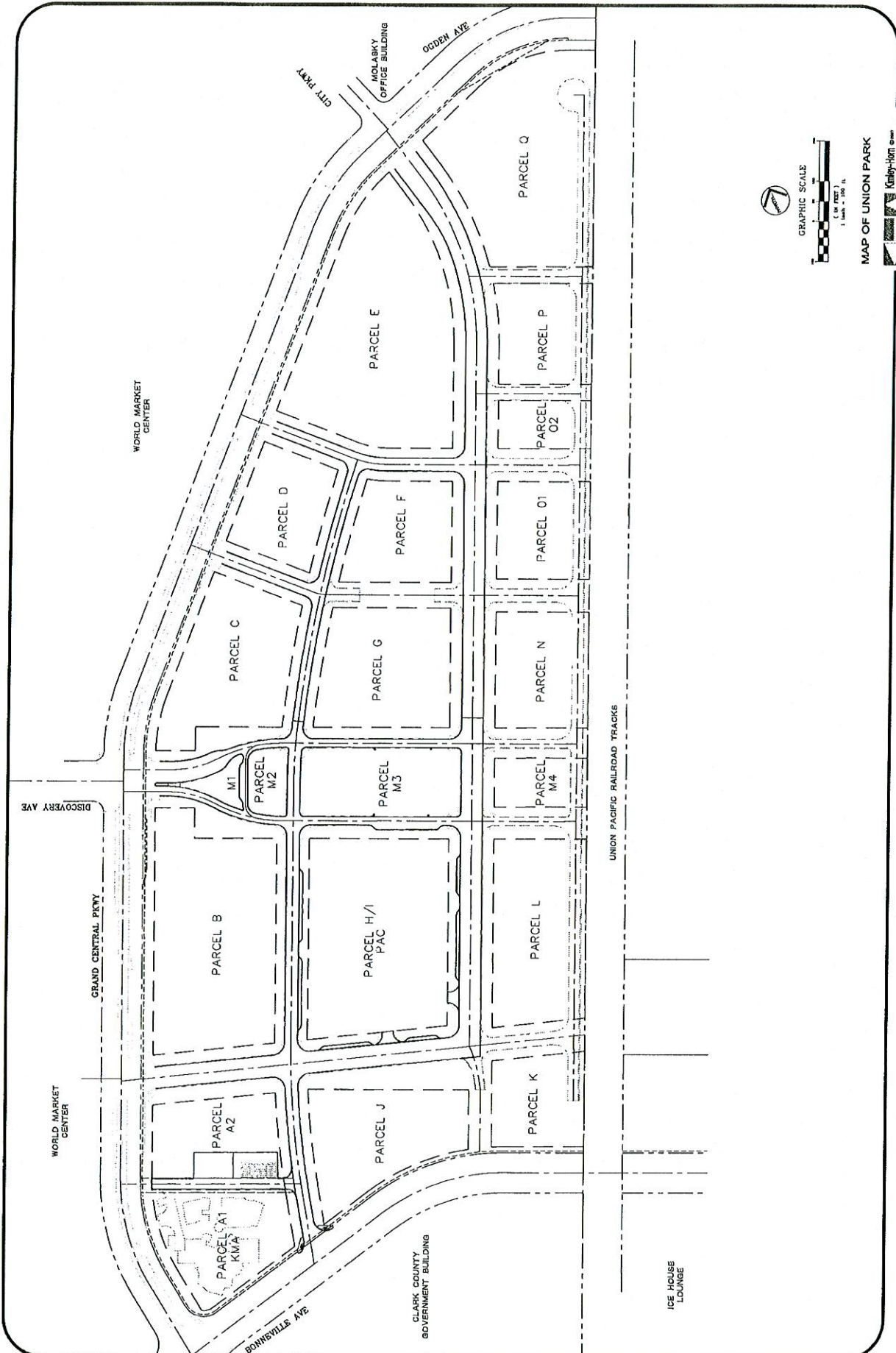
The parking garage façade consist of metal panels attached to concrete parapets.

At street level, all three buildings will share a common plaza with color palette based on natural materials.

EXHIBIT "C"

DEVELOPMENT PARCELS

See attached.



GRAPHIC SCALE
1" = 200' ft.
0 100 200

MAP OF UNION PARK

Kinley-Horn and Associates, Inc.

EXHIBIT "D"

LEGAL DESCRIPTION OF THE SITE

LEGAL DESCRIPTION

PARCEL E

A PORTION OF LOT 5 AS SHOWN ON THAT CERTAIN PLAT ENTITLED "PARKWAY CENTER, A COMMERCIAL SUBDIVISION" RECORDED IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE AND LYING WITHIN THE NORTHEAST QUARTER (NE 1/4) OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 61 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, M.D.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF GRAND CENTRAL PARKWAY AND BONNEVILLE AVENUE AS SHOWN ON SAID PLAT; THENCE ALONG THE CENTERLINE OF SAID GRAND CENTRAL PARKWAY THE FOLLOWING FIVE (5) COURSES: 1) NORTH 03°50'03" WEST, 209.30 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 500.00 FEET; 2) THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 31°45'19", AN ARC LENGTH OF 277.12 FEET; 3) NORTH 27°55'16" EAST, 1,058.21 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 500.00 FEET; 4) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20°42'14", AN ARC LENGTH OF 180.68 FEET; 5) NORTH 48°37'30" EAST, 764.97 FEET; THENCE DEPARTING SAID CENTERLINE SOUTH 41°22'30" EAST, 50.00 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1) NORTH 48°37'30" EAST, 452.05 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 450.00 FEET; 2) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°40'39", AN ARC LENGTH OF 201.67 FEET; 3) NORTH 74°18'09" EAST, 2.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 30.00 FEET; THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY LINE, SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 95°48'51", AN ARC LENGTH OF 50.17 FEET; THENCE SOUTH 09°53'00" EAST, 143.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 400.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 19°22'59", AN ARC LENGTH OF 135.32 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 647.00 FEET, FROM WHICH BEGINNING THE RADIUS BEARS NORTH 80°30'01" WEST; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 18°23'44", AN ARC LENGTH OF 207.73 FEET; THENCE SOUTH 27°53'43" WEST, 254.17 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 30.00 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°02'53", AN ARC LENGTH OF 47.15 FEET; THENCE NORTH 62°03'24" WEST, 162.77 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 233.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20°40'42", AN ARC LENGTH OF 84.09 FEET; THENCE NORTH 41°22'42" WEST, 222.90 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 30.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'12", AN ARC LENGTH OF 47.13 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**.

CONTAINING 5.84 ACRES, MORE OR LESS.

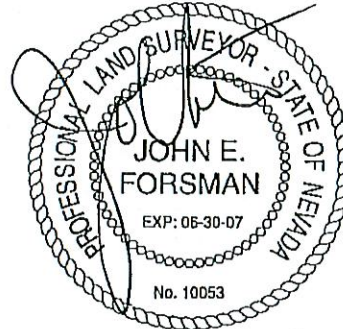


BASIS OF BEARING

NORTH 03°50'03" WEST, BEING THE BEARING OF A PORTION OF THE CENTERLINE OF GRAND CENTRAL PARKWAY AS SHOWN IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

END OF DESCRIPTION.

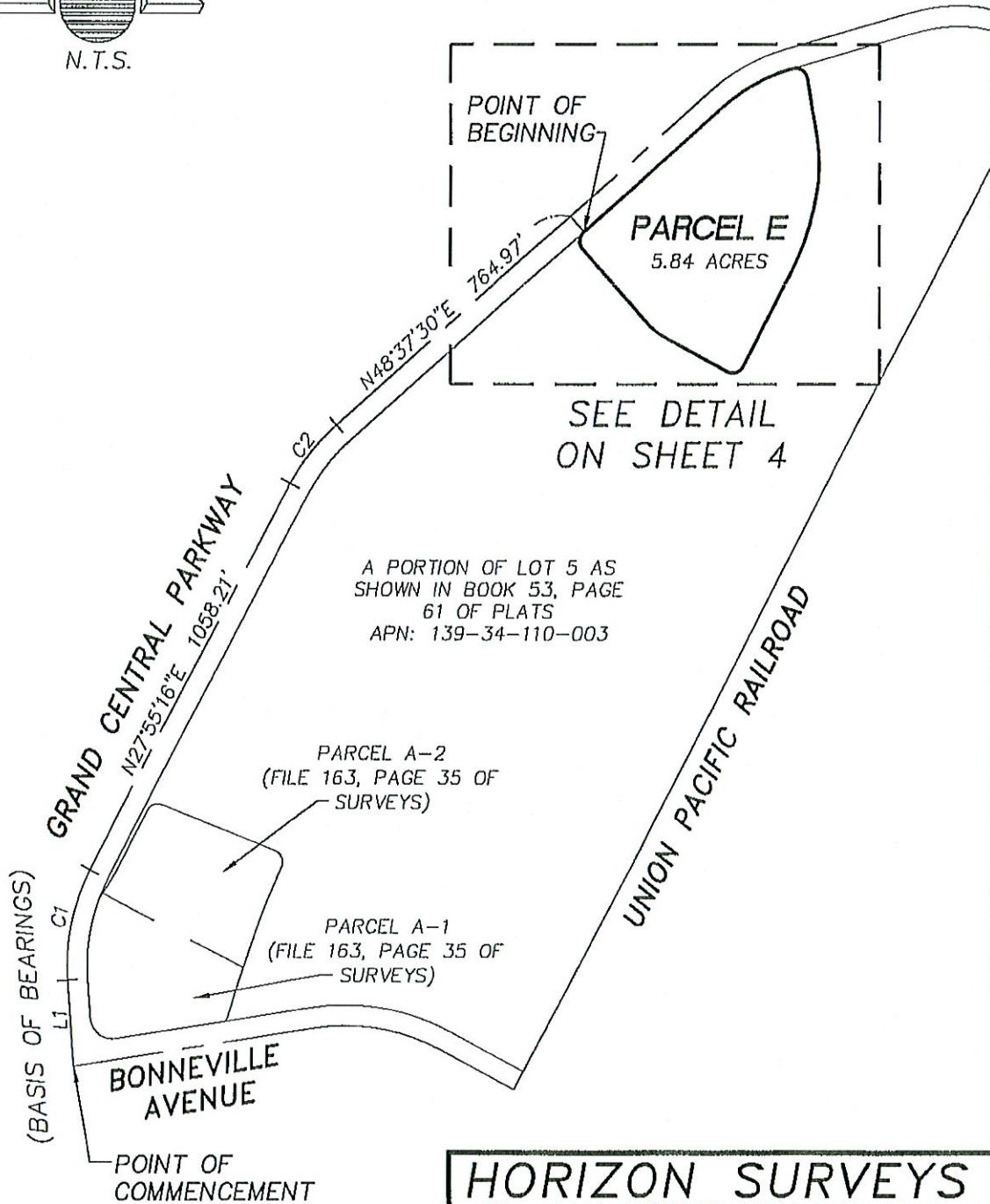
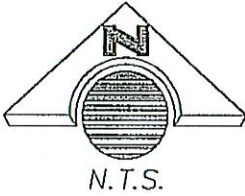
LAND SURVEYOR, PLS
JOHN E. FORSMAN
NEVADA LICENSE NO. 10053



5-10-07



EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION



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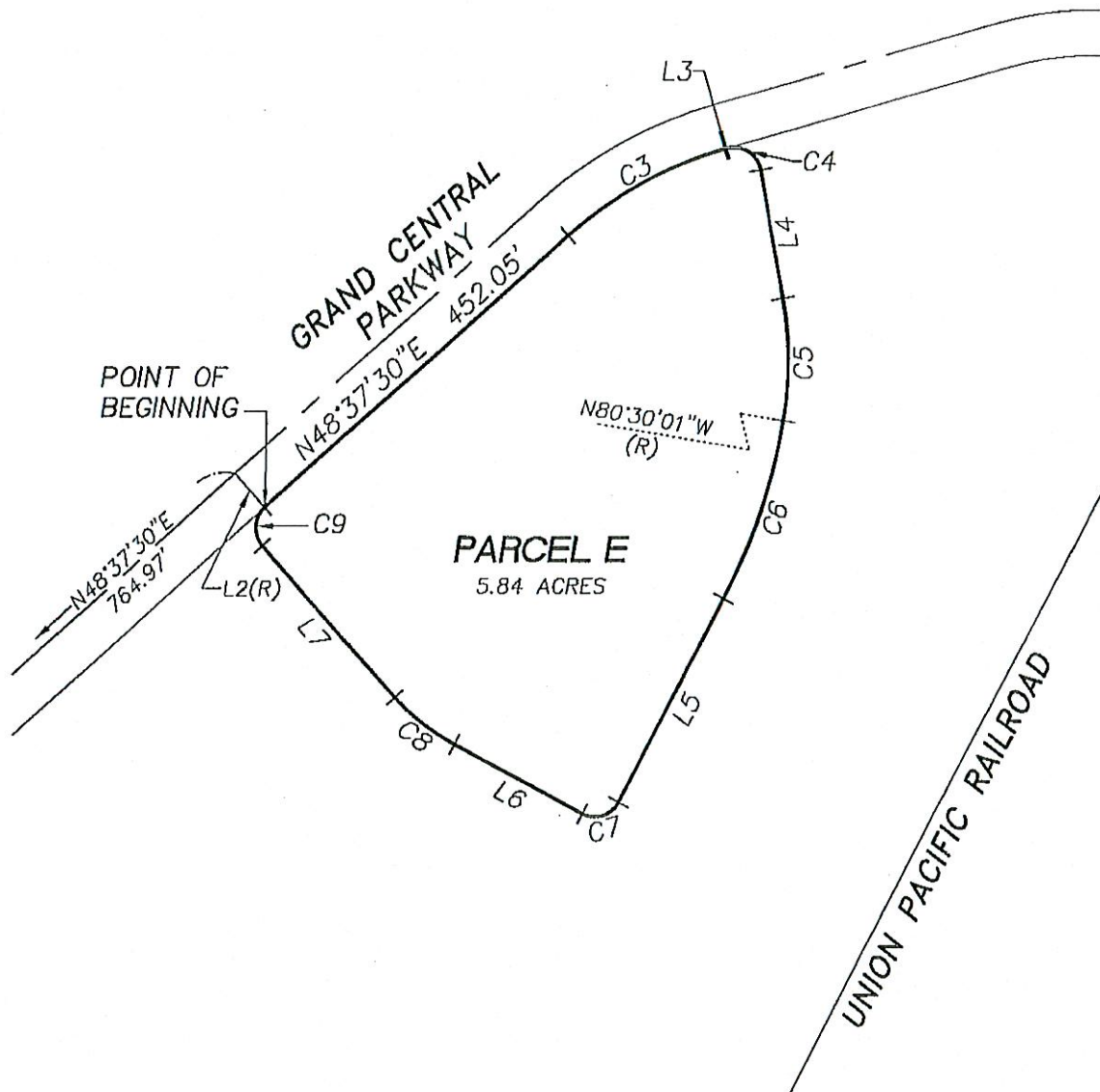
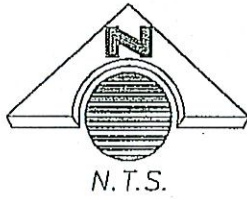
HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION

DETAIL



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SHEET 4 OF 5

HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION

LINE TABLE

LINE	BEARING	LENGTH
L1	N03°50'03"W	209.30'
L2(R)	S41°22'30"E	50.00'
L3	N74°18'09"E	2.35'
L4	S09°53'00"E	143.35'
L5	S27°53'43"W	254.17'
L6	N62°03'24"W	162.77'
L7	N41°22'42"W	222.90'

CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	TANGENT
C1	31°45'19"	500.00	277.12'	142.22'
C2	20°42'14"	500.00	180.68'	91.33'
C3	25°40'39"	450.00	201.67'	102.56'
C4	95°48'51"	30.00	50.17'	33.21'
C5	19°22'59"	400.00	135.32'	68.31'
C6	18°23'44"	647.00	207.73'	104.77'
C7	90°02'53"	30.00	47.15'	30.03'
C8	20°40'42"	233.00	84.09'	42.51'
C9	90°00'12"	30.00	47.13'	30.00'

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HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT "E"

DISCLOSURE OF PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity," means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members; (e) trust – the trustee and beneficiaries.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

Block 1 Contracting Entity	Block 2 Description
HERITAGE - NEVADA VIII, LLC	1. DDA
Name 421 N. BEVERLY DR	2. OPA/TIF
Address BAY HILLS, CA 90210	3. DSLUR
Telephone 310 888 1882	Contract No. <DevRepName>
EIN or DUNS	
56-2508183	

Block 3	Type of Business				
<input type="checkbox"/> Individual	<input type="checkbox"/> Partnership	<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation	<input type="checkbox"/> Trust	<input type="checkbox"/> Other:

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Robert Zarnegin	4211 North Beverly Drive Suite 350 Beverly Hills, CA 90210	(310) 888-1882
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Block 5 DISCLOSURE OF OWNERSHIP AND PRINCIPALS - ALTERNATE

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document(s)

Number of Pages

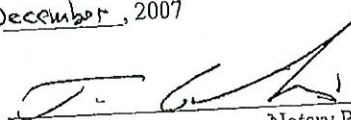
Date of Attached Document

The Contracting Entity shall continue the above list on a sheet of paper entitled "disclosure of Principals - Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

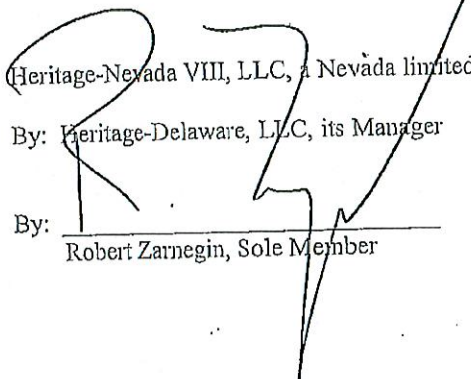
I certify under penalty of perjury, that all the information provided in this Certificate is current, complete and accurate.
I further certify that I am an individual authorized to contractually bind the above named Contracting Entity

Subscribed and sworn to before this 28th day of

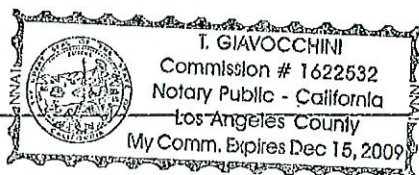
December, 2007


Notary Public

(Heritage-Nevada VIII, LLC, a Nevada limited liability company.

By:  Heritage-Delaware, LLC, its Manager

By: _____
Robert Zarnegin, Sole Member



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

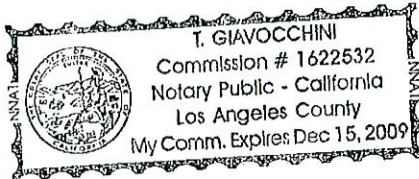
County of Los Angeles } ss.

On 12.28.07 before me, T. GIAVOCCHINI, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared ROBERT ZAPINEGIN
Name(s) of Signer(s)

... personally known to me

... proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: OWNERSHIP DISCLOSURE

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

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OF SIGNER
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EXHIBIT "F"

EMPLOYMENT PLAN

EMPLOYMENT PLAN FOR _____, LAS VEGAS

The Employment Plan of _____ (the "*Plan*") is prepared in accordance with NRS 279.482(2), the Agency's Employment Plan Policy dated June 3, 1992, and amended June 6, 2001 (the "*Policy*") attached hereto as Exhibit "F-1", and that certain Owner Participation Agreement dated as of _____, 200__ (the "*OPA*") among the Agency, Developer and, solely for purposes of Section 2.7 therein, the City. Capitalized terms used herein have the meanings set forth in the OPA, except as otherwise defined herein. This Plan outlines the steps to be taken by Developer to assist it in achieving compliance with the Policy. In accordance with the Policy, developers and build-to-suit owners which receive redevelopment project funds are encouraged to hire individuals who live within the area of the operations and are economically disadvantaged residents, physically handicapped, members of racial minorities, veterans, women, and/or the homeless.

The Plan herein is divided into two parts, as contemplated by the Policy. Since Developer is an entity which is proposing to construct the Project, it hereby submits an employment plan in its capacity as a "developer." In addition, Developer as a prospective owner/lessee of space which will have been acquired by use of redevelopment funds, hereby submits an employment plan in its capacity as a "build-to-suit owner/lessee" for the post-construction phase of the Project.

1. **DEVELOPER EMPLOYMENT PLAN.** The Developer Employment Plan shall apply during the construction phase of the Project.

1.1 Description of the Facilities to be Constructed. The facilities to be constructed by Developer will consist of a high rise office and residential condominium and retail space facility. Please see Section 1.9 of the OPA, the Scope of Development and the Schedule of Performance for a complete description of the facilities and anticipated phasing.

1.2 Contracts for Construction of the Project. Developer will promote, and will cause its general contractor to promote the utilization of minority, women, disabled, and veteran ("*MWDV*") owned businesses for the construction of the Project, as discussed more fully in Section 1.3 below. In this regard, it will establish, as targets, the participation goals established by the City in its "Equal Opportunity Contracting Policy" attached hereto as Exhibit "F-2". These goals represent the dollar value of subcontracts and materials agreements awarded to MWDV owned businesses expressed as a proportion of the total dollar value of bids.

The Policy requests a list and the amount of subcontracts to be let for the construction of the Project. Developer will prepare, or cause its general contractor to prepare, a list of subcontracts that have been let and those subcontracts for which bid documents have not yet been prepared. As construction drawings and bid documents are received, after the date of the OPA, the general contractor, through its construction manager, will seek input regarding the bid estimates from various contractors and subcontractors, including MWDV owned businesses. Bid documents will then be completed and disseminated, using the City's Minority Vendors

Directory, as described below. It is anticipated that these documents will be prepared one hundred twenty (120) days prior to the Commencement of Construction. At such time, Developer will submit an addendum to this Developer Employment Plan identifying the construction subcontracts.

1.3 Manner of Involving MWDV Owned Businesses. Developer hereby certifies that, for the construction phase of the Project, it will use and instruct, or cause its general contractor to use and instruct, its project manager and construction manager to use the City's Minority Vendors Directory to locate potential subcontractors. These entities shall notify qualified vendors identified in such directory of subcontracts to be let for construction, in sufficient time to allow effective participation by MWDV owned businesses. A copy of the notification shall be submitted to the Agency.

In addition to the above, Developer will perform, or cause its general contractor to perform, the following tasks:

(a) Advertise in the newspapers of general circulation, trade association papers and MWDV focused media concerning subcontracting opportunities, giving sufficient time to allow the opportunity for effective participation by MWDV owned businesses;

(b) Contact and coordinate with the City's Purchasing and Contracts Manager and the Agency to obtain lists and information concerning MWDV owned business enterprises;

(c) Utilize referral agencies such as MWDV community organizations, professional associations and small business assistance offices or other organizations that provide assistance in the recruitment and placement of MWDV owned businesses;

(d) When appropriate, break down subcontracts into the smallest economically feasible units to facilitate and encourage participation by MWDV owned businesses to the maximum extent possible;

(e) Ensure access by interested MWDV owned businesses to plans and specifications and adequate information about the scope of services and other requirements;

(f) Offer information to interested MWDV owned businesses regarding the obtaining of bonding, lines of credit and/or insurance;

(g) Organize a job fair prior to the grand opening of the Project. This fair will be advertised in newspapers of general circulation and with minority and women focused media outlets. Minority agencies will also be notified, as recommended by the City's Human Resources Office. This fair will be provided at no cost to the tenants or job applicants and will provide a forum for applying and interviewing for positions at the Project. See Exhibit "F-3" for an example;

(h) Provide and dedicate a public announcement board in a public area of the Project. Tenants will be notified of the location and availability of this board and encouraged to utilize it to advertise positions on an ongoing basis; and

(i) Cause its general contractor to advertise and solicit bids and encourage qualified joint venture bids from local MWDV owned businesses and, where practicable, form joint ventures involving local and out-of-state MWDV owned businesses. Developer shall encourage joint ventures with MWDV owned businesses.

2. BUILD TO SUIT OWNER/LESSEE EMPLOYMENT PLAN. The Build to Suit Owner/Lessee Employment Plan shall apply to Developer's hiring of new permanent employees during the post construction phase of the Project. In addition, even though portions of the Project are not being supported by redevelopment funds, Developer will adopt the employment objectives stated in the Policy for the entire Project. In this regard, Developer recognized that subcontractors of permanent operations performed by Developer will be required to adhere to the Build to Suit Owner/Lessee Employment Plan, to the extent possible, which will be effected through contractual language included in any agreement with such subcontractors. Notwithstanding anything to the contrary contained herein, the Build to Suit Owner/Lessee Employment Plan shall not apply to employees of owners or operators of the businesses in the Project which are not affiliated with or operated by Developer, including, without limitation, any office and retail operations.

2.1 Description of Existing Opportunities for Employment Within the Area. Prior to construction of the Project, Developer believes that the current opportunities in the area are quite limited. Of the limited opportunities that are available, even fewer are in the Project area and, to the best knowledge of Developer, there may not be any full-time employment opportunities currently existing in high rise mixed use, office, residential and retail projects. It is anticipated that employment opportunities will be in full-time construction and part-time employment opportunities as well as landscape, maintenance, valet and security personnel.

The intent of the Policy is that a project benefited by redevelopment funds creates new jobs for residents of the Redevelopment Area and the City's Special Impact Area. The information shown in Exhibit "F-4" taken from 2000 Census data compiled by the City's Community Planning and Development Department contains a statistical breakdown in terms of race and employment categories for each of the Census Tracts in the City's Special Impact Area.

2.2 Estimate and Description of New Jobs Created as a Result of the Project. It is estimated that three thousand five hundred (3,500) new permanent jobs will be created as a direct result of the Project, including jobs created by owners and operators of businesses in the Project which are not affiliated with Developer.

2.3 Description of the Steps to be Taken to Achieve Objectives. It is the intent of Developer to fill as many as possible new permanent jobs created as a direct result of the Project with MWDV. A variety of steps are planned in order to meet this objective. First, the general contractor will advertise in newspapers of general circulation, trade association papers and MWDV focused media concerning new permanent employment opportunities associated with the Project.

Second, Developer will utilize the following referral agencies to seek assistance in identifying qualified job applicants;

- (a) Nevada Employment Security Department;
- (b) Nevada Business Services, Inc.;
- (c) Urban Chamber of Commerce;
- (d) Latin Chamber of Commerce;
- (e) Las Vegas Indian Center;
- (f) Endeavor I March of Dimes;
- (g) Nevada Welfare Department;
- (h) Women's Development Center;
- (i) St. Vincent's Job Desk;
- (j) Community College of Southern Nevada;
- (k) Bureau of Vocational Rehabilitation of Southern Nevada;
- (l) Dr. Martin Luther King, Jr. Committee;
- (m) Nevada Partners;
- (n) The City of Las Vegas Housing Authority;
- (o) The Governor's Committee on Employment for Individuals with Disabilities;
- (p) Southern Nevada Homeless Coalition;
- (q) Key Foundation;
- (r) Military Veterans Volunteer Center;
- (s) Southern Nevada Disenfranchised Veterans Consortium;
- (t) Veterans Administration (VA);
- (u) Lowden Veterans Center and Museum / CONVO;
- (v) National Action Network;
- (w) State of Nevada Casual Labor Office;
- (x) Las Vegas Rescue Mission;
- (y) Sign Snow; and
- (z) Such other referred agencies that are suitable, as determined by the City Manager for the City, or his or her designee.

Further, Developer will work closely with the City and the Agency's officials to obtain assistance in its hiring activities.

2.4 Developer certifies that they will pay a minimum rate which is the higher of the federal minimum wage or the market rates paid by employers in similar businesses in order to ensure that redevelopment jobs provide decent standards of living for employees.

2.5 Developer will notify in writing all of the referral agencies of job positions which are initially available for hire at least thirty (30) working days prior to the anticipated initial hiring dates. Thereafter, for the filling of subsequent positions, Developer will endeavor to give all previously responsive agencies a notification in writing within a reasonable time prior to the anticipated hiring dates. Both of the above referenced notifications will include a description of the required job qualifications, the rate of pay, the anticipated hiring date and the date by which the referral agency must refer qualified applicants in order to be considered for hiring. Developer will copy the Agency on all such written correspondence.

2.6 Developer will work closely with the agencies designated in Section 2.3 above to provide them the information needed for the agencies to design and establish programs

to train and upgrade the skills of qualified employees to fill the needs of their businesses. Developer will make a good faith effort to provide the information in advance of the need for the employees in order to provide a meaningful opportunity to provide training for the jobs.

2.7 Pursuant to Section H of the Policy, Developer will submit quarterly reports to the Agency for the duration of the OPA with one copy to the City Purchasing and Contracts Manager for the duration of the OPA. The quarterly reports will demonstrate compliance with the requirements of the Policy.

EXHIBIT “F-1”

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

EMPLOYMENT PLAN POLICY

See attached.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY
EMPLOYMENT PLAN POLICY

Adopted
June 6, 2001

EMPLOYMENT PLAN POLICY

(As Adopted on June 6, 2001)

A. What is the purpose of the Employment Plan Policy?

The purpose of this Employment Plan Policy is to encourage developers and build-to-suit owners/lessees participating in a redevelopment project funded by the Redevelopment Agency to hire individuals of specially targeted population groups (economically disadvantaged residents, physically handicapped, members of racial minorities, veterans or women) who live within the area of operation.

B. Who must submit Employment Plans?

1. **Developers:** As appropriate for the redevelopment project, the developer shall submit to the Redevelopment Agency an Employment Plan for the construction phase of the redevelopment project in accordance with the requirements of this Policy. For purposes of this Policy, a “developer” means any person or entity who is proposing to construct commercial, office, retail or industrial space with the assistance of the Redevelopment Agency and includes both developers of speculative space and build-to-suit owners.

A “developer of speculative space” means any developer who constructs commercial, office, retail or industrial space for the purpose of conveying or leasing to an unknown owner and/or tenant. A “build-to-suit developer” means any developer who constructs commercial, office, retail or industrial space in accordance with the customized specifications of a known owner and/or lessee to whom the space will be conveyed or leased upon completion of the redevelopment project.

2. **Build-to-Suit Owners/Lessees:** As appropriate for the redevelopment project submitted by a build-to-suit developer, the owner/lessee for which the redevelopment project is to be constructed shall submit to the Redevelopment Agency an Employment Plan for the post construction phase of the redevelopment project in accordance with the requirements of this Policy.

For purposes of this Policy, “build-to-suit owner/lessee” means the owner and/or lessee of commercial, office, retail or industrial space which has been constructed by the developer to the customized specifications of the owner/lessee.

3. **Owners/Lessees:** An owner/lessee of speculative commercial, industrial, office or retail space shall be exempt from submitting an Employment Plan.

C. What is the term of the Employment Plan?

1. The developer shall adhere to the Employment Plan only during the construction phase of the development.
2. The build-to-suit owner/lessee shall adhere to the Employment Plan for at least as long as the redevelopment project remains subject to the Owner Participation Agreement (OPA)/Disposition and Development Agreement (DDA). Each OPA/DDA will include the specific time periods based on the particular relevant aspects of the project. All subcontractors of permanent operations will be required to adhere to the Employment Plan through contractual language included in any agreement with the build-to-suit owner/lessee. The appropriate requirements of the Employment Plan Policy shall be included in the Owner Participation Agreement.
3. Employment Plans must be submitted to the Agency for review during negotiations for redevelopment funding to be approved as part of the OPA/DDA.

D. What information must the developer provide in the Employment Plan?

The developer shall provide the Agency with a list and amount of all contracts to be let for the construction of the redevelopment project.

E. What procedures shall the developer adhere to?

The developer is required to submit an Employment Plan for the construction phase of the redevelopment project, and shall be referred to the City's Minority Vendors Directory. The developer shall notify the vendors identified in the Minority Vendors Directory of all contracts to be let for the redevelopment project. A copy of the notification shall be submitted to the Redevelopment Agency.

F. What information must be in the Employment Plan submitted by Build-to-Suit Owner/Lessees?

1. A description of the existing opportunities for employment within the area. This information is available from the Nevada Employment Security Department. The Agency shall make every effort to assist the build-to-suit owner/lessee in obtaining this information for inclusion in the Employment Plan.
2. A projection of the effect that the redevelopment project will have on opportunities for employment within the area. In other words, the number of new jobs created as a result of the redevelopment project and a description of the skills required to fill the positions. The build-to-suit owner/lessee must supply this information to the Redevelopment Agency.
3. It is the intent of this Policy that a minimum of 51% of all new jobs created as a direct result of the Redevelopment Project be filled by residents of the Redevelopment Area and/or the City of Las Vegas Special Impact Area (SIA) and/or Census Tracts 5.03 and 5.04 (these tracts will be eligible for SIA designation upon release of the 1990 census information). The Redevelopment Agency shall have the authority to reduce the employment requirements of this section after a showing of just cause. This includes the refilling of those jobs for the duration of the Employment Plan. The build-to-suit owner/lessee is required to submit an Employment Plan which describes how the operation will employ persons who are:
 - a. *economically disadvantaged*
 - b. *physically handicapped*
 - c. *members of racial minorities*
 - d. *veterans*
 - e. *women*
4. The build-to-suit owner/lessee shall, as part of the Employment Plan, utilize one or more of the following referral agencies for the purpose of receiving qualified job applicants. Only nominal administrative fees can be charged to the employee by non-profit referral agencies for referral or job placement. These referral agencies, by virtue of their activities, are recognized as having a knowledge of the applicant pool available to assist in the location of and, in some cases, training and upgrading of skills of qualified applicants to fill the unique needs of each business.

- a. *Nevada Employment Security Department*
 - b. *Nevada Business Services*
 - c. *Nevada Black Chamber of Commerce*
 - d. *Latin Chamber of Commerce*
 - e. *Las Vegas Indian Center*
 - f. *Nevada Association for the Handicapped*
 - g. *Nevada Welfare Department*
 - h. *Women's Development Center*
 - i. *St. Vincent's Job Desk*
 - j. *Community College of Southern Nevada*
 - k. *Bureau of Vocational Rehabilitation of Southern Nevada*
 - l. *Dr. Martin Luther King, Jr. Committee*
5. Build-to-suit owner/lessees shall be required to pay a minimum rate which is the higher of the federal minimum wage or the market rates paid by employers in similar businesses in order to ensure that redevelopment jobs provide decent standards of living for employees.
 6. Build-to-suit owner/lessee shall establish an in-house training program for promoting employees, provided the operation employs a total of more than (25) employees. The training program shall be included as part of the Employment Plan.

G. What procedural guidelines must Build-to-Suit Owner/Lessee follow?

1. The build-to-suit owner/lessee agrees to submit written notification to the referral agency of job positions available for hire at least thirty (30) working days prior to the employer's anticipated hiring date.
2. Such written notification shall include a description of the required job qualifications, the rate of pay, the anticipated hiring date, and the date by which the referral agency must refer qualified applicants to the build-to-suit owner/lessee in order to be considered for hiring to the vacant position including management, technical and professional positions.
3. The build-to-suit owner/lessee need not notify the referral agency of any vacancy to be filled by an internal promotion from his own work force.

4. In the event that the referral agency fails to refer qualified individuals within thirty (30) working days for consideration of the vacant job openings of which the build-to-suit owner/lessee has notified the referral agency, the build-to-suit owner/lessee will be free to directly fill any and all remaining positions after so notifying the referral agency in writing.
5. The build-to-suit owner/lessee shall make the final decision on hiring new employees but shall be encouraged to select employees from among qualified persons referred by the referral agencies. This does not release the build-to-suit owner/lessee from the requirements of this Policy.
6. The build-to-suit owner/lessee will not discriminate against any applicant for employment because of race, religion, age, handicap, color, sex, national origin.
7. The Redevelopment Agency shall be copied on all written correspondence between the build-to-suit owner/lessee and the referral agency.

H. What are the reporting requirements?

1. The developer shall inform the Agency of the selected bidder after the bid is awarded, including a justification for not selecting the minority vendor, if such is the outcome. Backup documentation shall be provided to the Agency, as requested.
2. The build-to-suit owner/lessee shall submit a report to the Redevelopment Agency within thirty (30) calendar days after the end of each calendar quarter. This report will provide the Agency with a list of employees' names, addresses, rates of pay and health benefit status, and whether or not they were referred by the above agencies. Affected employees shall be notified that this information is being reported to the Agency. The Agency shall use this information for the sole purpose of determining compliance of the owner/lessee with the submitted Employment Plan. This information shall not be submitted to any other person or organization for any other purpose.

Assembly Bill No. 664- Assemblymen Arberry and Wendell Williams

Chapter 621

An ACT relating to the redevelopment of communities; requiring a proposal for a project

of redevelopment to include an employment plan; and providing other matters property relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 279.572 is hereby amended to read as follows:

279.572 **1. Every redevelopment plan must show:**

- [1.] (a) The amount of open space to be provided and the layout of streets.
- [2.] (b) Limitations on type, size, height, number and proposed use of buildings.
- [3.] (c) The approximate number of dwelling units.
- [4.] (d) The property to be devoted to public purposes and the nature of those purposes
- [5.] (e) Other covenants, conditions and restrictions which the legislative body prescribes.
- [6.] (f) The proposed method of financing the redevelopment plan in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

2. As appropriate for the particular project, each proposal for a project must also include an employment plan. The employment plan must include:

- (a) *A description of the existing opportunities for employment within the area.*
- (b) *A projection of the effect that the redevelopment project will have on opportunities for employment within the area.*
- (c) *A description of the manner in which an employer relocating his business into the area plans to employ persons living within the area of operation who are:*
 - (1) *Economically disadvantaged*
 - (2) *Physically handicapped*
 - (3) *Members of racial minorities*
 - (4) *Veterans*
 - (5) *Women*

EXHIBIT "F-2"

EQUAL OPPORTUNITY CONTRACTING POLICY

Minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, creed, sex, or national origin in consideration for an award.

A. GENERAL

- 1) An M/W/DVBE may participate as a prime contractor, sub-contractor, joint venture partner with a prime or sub-contractor, or as a vendor of materials and/or supplies. Only those subcontractor(s) and suppliers contracting directly with or to be paid by the prime contractor may be credited toward the goals.
- 2) An M/W/DVBE joint venture partner must be responsible for a clearly defined scope of work detailed separately from the work to be performed by the non-M/W/DVBE joint venture partner. In addition, an agreement signed by all parties, identifying the extent to which each joint venture partner shares in the Ownership, control, management, risk and profits of the joint venture must be submitted to the City of Las Vegas.
- 3) An M/W/DVBE must perform a commercially useful function, i.e., must be responsible for the execution of a distinct element of the Work and must carry out its responsibility by actually performing, managing, and supervising the Work specified.
- 4) The Contractor shall not be entitled to payment for any work or material scheduled to be performed by an M/W/DVBE unless it is performed or supplied by the listed M/W/DVBE or by an approved substitution.

B. MBE/WBE/DVBE GOALS

- 1) The Owner has adopted the following goals for MBE/WBE/DVBE participation and utilization.

Minority-owned Business Enterprise (MBE) 25%

Women-owned Business Enterprise (WBE) 5%

Disabled Veteran-owned Business Enterprise (DVBE) 2.5%

These percentage goals represent the value of sub-contracts and materials agreements awarded to M/W/DVBE's based on the total dollar value of the bid. **Only sub-contractors and suppliers listed prior to bid opening may be counted toward the goals.**

- 2) Each Bidder is responsible for making a sufficient portion of the Work available to sub-contractors and suppliers and to select those portions of the Work and/or material needs consistent with M/W/DVBE availability.
- 3) Each Bidder is responsible for making a good faith effort to meet the M/W/DVBE participation and utilization goals. If the Bidder fails to meet the goals, information documenting the Bidder's good faith efforts to achieve the goals must be submitted prior to bid award.

- 4) Prior to award of the Contract, the apparent low bidder's bid submission will be reviewed to determine if the Owner goals have been met. If goals have been achieved, the Bidder will not be required to submit any information documenting their good faith efforts to meet the goals.
- 5) M/W/DVBE prime contractors will receive credit toward the goals only for that portion of the Work to be completed by their own workforce and that of other M/W/DVBE subcontractors.
- 6) M/W/DVBE prime contractors are also expected to meet the goals for M/W/DVBE participation or to demonstrate a good faith effort to meet the goals.

C. GOOD FAITH EFFORT

1. A good faith effort is defined as that which, given all relevant circumstances, a Contractor actively and aggressively seeking to meet the goals would make. Efforts that are merely pro forma, are not good faith efforts to meet the goals, even if they are sincerely motivated, if, given all relevant circumstances, those efforts could not reasonably be expected to produce a level of participation to meet the goals. In evaluating good faith efforts, the following are some examples that the Owner will consider:
 - a) Whether the Contractor attended any pre-bid conferences scheduled to discuss the Owner's Equal Opportunity Contracting Program goals and requirements for the Project.
 - b) Whether the Contractor advertised in general circulation, trade association, and minority, women, and disabled veteran-focus media concerning sub-contracting opportunities in time to allow opportunity for effective participation by M/W/DVBE firms.
 - c) Whether the Contractor contacted the Owner's Minority Business Enterprise Section for a list of identified M/W/DVBE firms and the Owner's M/W/DVBE Resource List, and effectively used this information.
 - d) Whether the Contractor effectively used additional services of available: (i) minority, women, and disabled veteran community organizations; (ii) minority, women, and disabled veteran professional associations; (iii) minority, women, and disabled veteran trade associations; (iv) local, state and federal small business assistance offices; and (v) other organizations that provide assistance in the recruitment and placement of M/W/DVBE's.
 - e) Whether the Contractor provided written notice to a reasonable number of specific M/W/DVBE firms in sufficient time to allow opportunity for effective participation in the Contract.
 - f) Whether the Contractor followed up initial solicitations of interest by contacting M/W/DVBE firms to determine with certainty whether they were interested.
 - g) Whether the Contractor selected portions of the Work to be performed by M/W/DVBE firms in order to increase the likelihood of meeting the established goals, including, where appropriate, breaking down contracts into economically feasible units to facilitate M/W/DVBE participation.

- h) Whether the Contractor provided interested M/W/DVBE firms with access to plans, specifications and adequate information about the scope of services and other requirements of the Contract.
 - i) Whether the Contractor negotiated in good faith with interested M/W/DVBE firms in order to arrive at a fair price, opting for negotiation in lieu of inviting bids.
 - j) Whether the Contractor fairly determined the qualifications of interested M/W/DVBE firms using only the criteria specified in the Bid Documents.
 - k) Whether the Contractor made efforts to assist interested M/W/DVBE firms in obtaining bonds, lines of credit, insurance, and/or meeting other governmental contracting requirements.
 - l) Whether the Contractor documented legitimate reasons why the particular M/W/DVBE's contacted were not utilized or qualified.
 - m) Other evidence to indicate compliance with the spirit of the Owner's Equal Opportunity Contracting Program.
2. This list is a guideline and is not meant to be exhaustive. The exercise of these good faith efforts does not necessarily establish a determination of compliance. In the determination of whether a potential contractor exercised good faith efforts to achieve the W/M/DVBE goals, the availability of qualified M/W/DVBE firms for the type of work involved on a particular contract will be considered.
 3. In the event that a potential contractor has not achieved the M/W/DVBE participation goals, it may be entitled to receive an award of the contract if it exercises good faith efforts to achieve the goal, but is unable to do so.
 4. Lack of good faith efforts will subject a potential qualified contractor's bid to additional scrutiny by the Minority Business Enterprise Section, and may cause the award process to be held in abeyance until an appropriate determination can be made.

D. SUBMITTALS

1. If goals have been achieved, the apparent low bidder will not be required to submit any information documenting their good faith efforts to meet the goals.
2. If the apparent low bidder fails to meet the Owner's M/W/DVBE goals, documentation supporting their good faith efforts must be submitted **within five (5) working days after bid opening** to the Owner's Minority Business Enterprise Section. Such documentation must indicate all efforts expended under paragraph C of this Section.

E. ADDITIONAL INFORMATION

Any prospective bidder wishing additional information on the Owner's Equal Opportunity Contracting Policy or information regarding minority, women, and disabled veteran contractors may contact the Minority Business Enterprise Section at (702) 229-6231.

EXHIBIT "F-3"

SAMPLE JOB FAIR ADVERTISEMENT

I. SAMPLE NEWSPAPER DISPLAY ADVERTISEMENT

Runs in selected general circulation newspapers and targeted publications several days prior to the actual date of the job fair prior to the grand opening date for World Jewelry Center ("WJC"). There is no charge for tenant participation or for job applicants.

COPY:

World Jewelry Center is hosting a job fair prior to its _____, 20____, grand opening. Applicants interested in working for the center and its stores are invited to attend this 2-day fair to be held this Saturday and Sunday, _____ and _____ from 11 a.m. to 6 p.m. at _____ in Union Park, Las Vegas. Tenants participating in the job fair include:

_____, _____,
_____, _____,
_____, _____,
_____, _____,

_____, _____,
Available positions range from store management and salesperson to _____ to housekeeping and security personnel. No cost for applicants to apply. Please bring proof of identification and citizenship. See you this weekend at _____.

II. BULLETIN BOARD DISPLAY NOTICE

To be changed weekly or more frequently as needed, on the WJC bulletin board, which is to be maintained in the public corridor leading to the WJC's office and/or the public restrooms.

JOB NOTICE JOB NOTICE JOB NOTICE JOB NOTICE

The following positions are open with WJC and/or its specialty stores:

STORE NAME, address within center
Store Manager's name (or district/regional manager)
Telephone #
Description of position; person(s) to contact

EXHIBIT “F-4”

CENSUS TRACTS

See attached.

P6. RACE [8] - Universe: Total population												
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data												
H3, and H4. For information on confidentiality												
Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35		
Total:	3,501	5,348	9,178	7,023	3,282	4,835	2,213	1,226	3,624	1,660		
White alone	820	758	5,087	3,656	1,909	3,201	1,477	624	1,901	108		
Black or African American alone	2,334	3,814	959	391	373	852	175	238	321	1,486		
American Indian and Alaska Native alone	24	11	185	76	59	102	23	0	15	7		
Asian alone	17	105	275	361	206	267	217	83	274	0		
Native Hawaiian and Other Pacific Islander alone	16	2	3	7	32	18	7	8	0	0		
Some other race alone	251	483	1,848	2,290	551	202	248	132	978	59		
Two or more races	39	175	821	242	152	193	66	141	235	0		
P7. HISPANIC OR LATINO BY RACE [17] - Universe: Total population												
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data												
H3, and H4. For information on confidentiality												
Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35		
Total:	3,501	5,348	9,178	7,023	3,282	4,835	2,213	1,226	3,624	1,660		
Not Hispanic or Latino:	2,833	4,485	4,607	2,263	2,211	4,071	1,500	994	1,647	1,601		
White alone	426	407	2,865	1,384	1,468	2,818	1,058	566	941	108		
Black or African American alone	2,324	3,814	901	362	373	837	175	232	311	1,486		
American Indian and Alaska Native alone	24	0	155	32	34	73	23	0	15	7		
Asian alone	17	105	271	347	184	206	217	83	274	0		
Native Hawaiian and Other Pacific Islander alone	16	2	3	7	32	14	7	8	0	0		
Some other race alone	0	0	63	0	14	8	0	0	0	0		
Two or more races	26	157	349	131	105	115	20	105	106	0		
Hispanic or Latino:	668	863	4,571	4,760	1,071	764	713	232	1,977	59		
White alone	394	351	2,222	2,272	441	383	419	58	860	0		
Black or African American alone	10	0	58	29	0	15	0	6	10	0		
American Indian and Alaska Native alone	0	11	30	44	25	29	0	0	0	0		
Asian alone	0	0	4	14	22	61	0	0	0	0		
Native Hawaiian and Other Pacific Islander alone	0	0	0	0	0	4	0	0	0	0		
Some other race alone	251	483	1,785	2,290	537	194	248	132	978	59		
Two or more races	13	18	472	111	46	78	46	36	129	0		

Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
P43. SEX BY EMPLOYMENT STATUS FOR THE POPULATION 16 YEARS AND OVER [15] - Universe: Population 16 years and over										
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data										
H3, and H4. For information on confidentiality										
Total:	2,820	3,381	7,141	4,976	2,685	4,736	1,963	1,127	2,938	1,091
Male:	1,580	1,398	4,391	2,869	1,535	3,845	1,156	686	1,934	540
In labor force:	870	664	2,975	1,816	1,018	881	778	382	1,378	305
In Armed Forces	0	0	0	0	9	0	7	0	0	0
Civilian:	870	664	2,975	1,816	1,009	881	771	382	1,378	305
Employed	592	570	2,249	1,649	844	762	663	330	1,187	250
Unemployed	278	94	726	167	165	119	108	52	191	55
Not in labor force	710	734	1,416	1,053	517	2,964	378	304	556	235
Female:	1,240	1,983	2,750	2,107	1,150	891	807	441	1,004	551
In labor force:	587	1,017	1,270	921	586	281	403	226	572	287
In Armed Forces	0	0	0	0	0	0	0	0	0	0
Civilian:	587	1,017	1,270	921	586	281	403	226	572	287
Employed	502	838	1,023	788	505	258	371	190	417	257
Unemployed	85	179	247	153	81	23	32	36	155	30
Not in labor force	653	966	1,480	1,186	584	610	404	215	432	264
User note on employment status data										
P49. SEX BY INDUSTRY FOR THE EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER [55] - Universe: Employed civilian population 16 years and over										
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data										
H3, and H4. For information on confidentiality										
Total:	1,094	1,408	3,272	2,417	1,349	1,020	1,034	520	1,604	507
Male:	592	570	2,249	1,949	844	762	663	330	1,187	250
Agriculture, forestry, fishing and hunting, and mining:	0	0	14	24	0	0	0	4	6	0
Agriculture, forestry, fishing and hunting	0	0	14	24	0	0	0	4	0	0
Mining	0	0	0	0	0	0	0	0	6	0
Construction	143	42	501	400	170	139	55	30	173	29
Manufacturing	0	28	113	73	37	41	34	5	69	0
Wholesale trade	0	0	70	56	2	7	31	3	12	0
Retail trade	73	69	88	118	148	85	92	8	100	13
Transportation and warehousing, and utilities:	29	50	99	30	62	33	42	41	32	14

Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
Transportation and warehousing	29	50	99	30	62	33	35	34	32	14
Utilities	0	0	0	0	0	0	7	7	0	0
Information	15	16	45	0	0	32	0	0	5	4
Finance, insurance, real estate and rental and leasing	2	20	44	29	47	49	44	17	38	0
Finance and insurance	2	0	0	8	0	17	8	0	15	0
Real estate and rental and leasing	0	20	44	21	47	32	36	17	23	0
Professional, scientific, management, administrative, and technical services	67	68	391	292	102	87	34	42	127	22
Professional, scientific, and technical services	0	6	44	0	12	20	14	6	15	6
Management of companies and enterprises	0	0	0	0	0	0	0	0	0	0
Administrative and support and waste management services	67	62	347	292	90	67	20	36	112	16
Educational, health and social services:	73	62	43	8	14	27	23	0	1	40
Educational services	36	27	0	8	5	0	0	0	1	29
Health care and social assistance	37	35	43	0	9	27	23	0	0	11
Arts, entertainment, recreation, accommodation and food services	149	200	635	516	216	249	268	165	552	118
Arts, entertainment, and recreation	71	66	221	158	47	97	148	79	184	47
Accommodation and food services	78	134	414	358	169	152	120	86	368	71
Other services (except public administration)	41	11	196	92	35	13	21	15	63	10
Public administration	0	4	10	11	11	0	19	0	9	0
Female:	502	838	1,023	768	505	258	371	190	417	257
Agriculture, forestry, fishing and hunting, and mining	0	0	0	0	0	0	0	0	0	0
Agriculture, forestry, fishing and hunting	0	0	0	0	0	0	0	0	0	0
Mining	0	0	0	0	0	0	0	0	0	0
Construction	0	0	2	24	0	0	6	17	0	5
Manufacturing	0	12	26	9	0	0	29	7	7	0
Wholesale trade	10	0	6	0	0	0	5	0	0	0
Retail trade	20	131	62	72	91	29	34	39	60	19
Transportation and warehousing, and utilities:	7	6	30	27	11	0	0	18	11	0
Transportation and warehousing	0	6	30	27	11	0	0	8	11	0
Utilities	7	0	0	0	0	0	0	10	0	0
Information	18	29	0	0	36	0	11	0	0	10
Finance, insurance, real estate and rental and leasing	25	62	57	36	43	5	26	26	33	16
Finance and insurance	16	40	7	10	24	0	8	17	9	8
Real estate and rental and leasing	9	22	50	26	19	5	18	9	24	8
Professional, scientific, management, administrative, and technical services	19	36	104	83	43	28	40	0	66	17
Professional, scientific, and technical services	9	23	35	32	17	10	9	0	9	9
Management of companies and enterprises	0	0	0	0	0	0	0	0	0	0
Administrative and support and waste management services	10	13	69	51	26	18	31	0	57	8

Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
Educational, health and social services:	145	214	155	70	26	14	26	0	6	83
Educational services	76	111	20	0	8	5	7	0	0	18
Health care and social assistance	69	103	135	70	18	9	19	0	6	85
Arts, entertainment, recreation, accommodation and food services	184	285	448	373	229	175	194	78	234	85
Arts, entertainment, and recreation	99	114	206	99	107	93	97	59	71	49
Accommodation and food services	85	171	242	274	122	82	97	19	163	36
Other services (except public administration)	61	33	97	65	19	7	0	5	0	22
Public administration	13	30	36	9	7	0	0	0	0	0
P50. SEX BY OCCUPATION FOR THE EMPLOYED CIVILIAN POPULATION 16 YEARS AND OVER [95] - Universe: Employed civilian population 16 years and over										
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data										
H3, and H4. For information on confidentiality										
Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
Total:	1,094	1,408	3,272	2,417	1,349	1,020	1,034	520	1,604	507
Male:	592	570	2,249	1,649	844	762	663	330	1,187	250
Management, professional, and related occupations:	17	24	184	130	51	57	95	46	60	20
Management, business, and financial operations occupations:	5	0	90	94	45	41	46	26	26	12
Management occupations, except farmers and farm managers	5	0	78	43	36	41	38	11	20	6
Farmers and farm managers	0	0	0	16	0	0	0	0	0	0
Business and financial operations occupations:	0	0	12	35	9	0	8	15	6	6
Business operations specialists	0	0	11	16	9	0	0	15	0	6
Financial specialists	0	0	1	19	0	0	8	0	6	0
Professional and related occupations:	12	24	94	36	6	16	49	20	34	8
Computer and mathematical occupations	0	0	0	0	0	0	8	0	15	0
Architecture and engineering occupations:	0	6	13	11	0	7	7	6	0	0
Architects, surveyors, cartographers, and engineers	0	0	4	0	0	0	0	0	0	0
Drafters, engineering, and mapping technicians	0	6	9	11	0	7	7	6	0	0
Life, physical, and social science occupations	0	0	0	0	0	0	0	7	0	0
Community and social services occupations	0	0	9	9	0	0	0	0	0	0
Legal occupations	0	0	0	0	0	0	6	0	0	0
Education, training, and library occupations	8	7	0	0	6	9	0	0	1	8
Arts, design, entertainment, sports, and media occupations	4	6	39	16	0	0	23	7	18	0
Healthcare practitioners and technical occupations:	0	5	33	0	0	0	5	0	0	0
Health diagnosing and treating practitioners and technicians	0	5	0	0	0	0	0	0	0	0
Health technologists and technicians	0	0	33	0	0	0	5	0	0	0
Service occupations:	225	265	844	734	301	292	261	166	577	131

Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
Healthcare support occupations	3	0	0	0	8	6	0	0	0	0
Protective service occupations:	38	58	48	52	50	69	35	18	35	29
Fire fighting, prevention, and law enforcement workers	0	0	0	0	0	0	0	0	0	0
Other protective service workers, including supervisors	38	58	48	52	50	69	35	18	35	29
Food preparation and serving related occupations	108	100	377	295	110	86	120	65	340	41
Building and grounds cleaning and maintenance occupations	67	48	358	324	111	79	36	31	131	40
Personal care and service occupations	9	59	63	63	22	52	70	52	71	21
Sales and office occupations:	74	106	160	122	136	127	100	30	101	45
Sales and related occupations	35	32	92	56	72	47	58	10	56	7
Office and administrative support occupations	39	74	68	66	64	80	42	20	45	38
Farming, fishing, and forestry occupations	0	0	34	8	0	0	0	4	6	7
Construction, extraction, and maintenance occupations:	158	72	548	450	239	162	104	45	258	35
Construction and extraction occupations:	117	56	457	421	191	141	68	30	181	24
Supervisors, construction and extraction workers	6	0	26	19	15	0	0	0	0	0
Construction trades workers	111	56	431	402	176	141	68	30	181	24
Extraction workers	0	0	0	0	0	0	0	0	0	0
Installation, maintenance, and repair occupations	41	16	91	29	48	21	36	15	77	11
Production, transportation, and material moving occupations:	118	103	479	205	117	124	103	39	185	12
Production occupations	18	27	141	127	33	44	35	5	96	5
Transportation and material moving occupations:	100	76	338	78	84	80	68	34	89	7
Supervisors, transportation and material moving workers	0	0	0	0	0	0	0	0	0	0
Aircraft and traffic control occupations	0	0	0	0	0	0	0	0	0	0
Motor vehicle operators	63	60	126	21	45	39	30	34	55	0
Rail, water and other transportation occupations	0	5	1	0	0	0	0	0	4	0
Material moving workers	37	11	211	57	39	41	38	0	30	0
Female:	502	838	1,023	768	505	258	371	190	417	257
Management, professional, and related occupations:	104	188	91	98	65	5	67	18	44	48
Management, business, and financial occupations:	42	74	38	45	29	0	42	18	31	8
Management occupations; except farmers and farm managers	42	62	19	45	29	0	29	9	29	8
Farmers and farm managers	0	0	0	0	0	0	0	0	0	0
Business and financial operations occupations:	0	12	19	0	0	0	13	9	2	0
Business operations specialists	0	0	5	0	0	0	0	9	2	0
Financial specialists	0	12	14	0	0	0	13	0	0	0
Professional and related occupations:	62	114	53	53	36	5	25	0	13	40
Computer and mathematical occupations	0	0	1	0	5	0	0	0	0	0
Architecture and engineering occupations:	0	7	0	9	0	0	0	0	0	0
Architects, surveyors, cartographers, and engineers	0	0	0	9	0	0	0	0	0	0

Census Tract	ct 3.01	ct 3.02	ct 4.0	ct 5.03	ct 6	ct 7	ct 8	ct 9	ct 11	ct 35
Drafters, engineering, and mapping technicians	0	7	0	0	0	0	0	0	0	0
Life, physical, and social science occupations	0	0	0	10	0	0	0	0	0	0
Community and social services occupations	6	11	2	0	0	0	0	0	0	14
Legal occupations	0	0	0	5	0	0	0	0	0	0
Education, training, and library occupations	15	53	18	0	22	5	0	0	0	7
Arts, design, entertainment, sports, and media occupations	0	7	0	0	9	0	6	0	13	10
Healthcare practitioners and technical occupations:	40	26	32	29	0	0	19	0	0	9
Health diagnosing and treating practitioners and technicians	23	19	25	12	0	0	9	0	0	0
Health technologists and technicians	17	7	7	17	0	0	10	0	0	9
Service occupations:	250	308	533	378	205	87	153	72	182	128
Healthcare support occupations	7	12	71	31	4	0	0	0	6	10
Protective service occupations:	6	8	1	0	8	0	13	11	0	25
Fire fighting, prevention, and law enforcement workers	6	8	1	0	0	0	0	0	0	0
Other protective service workers, including supervisors	0	0	0	0	8	0	13	11	0	25
Food preparation and serving related occupations	74	110	140	178	89	30	58	16	54	29
Building and grounds cleaning and maintenance occupations	118	114	274	115	64	57	61	20	99	35
Personal care and service occupations	45	64	47	54	40	0	21	25	23	27
Sales and office occupations:	95	301	319	231	200	157	126	67	144	60
Sales and related occupations	8	147	161	68	80	87	52	35	70	22
Office and administrative support occupations	87	154	158	163	120	70	74	32	74	38
Farming, fishing, and forestry occupations	0	0	6	0	0	0	0	0	0	0
Construction, extraction, and maintenance occupations	0	0	14	16	5	0	0	17	0	5
Construction and extraction occupations:	0	0	0	16	0	0	0	17	0	0
Supervisors, construction and extraction workers	0	0	0	0	0	0	0	0	0	0
Construction trades workers	0	0	0	16	0	0	0	17	0	0
Extraction workers	0	0	0	0	0	0	0	0	0	0
Installation, maintenance, and repair occupations	0	0	14	0	5	0	0	0	0	5
Production, transportation, and material moving occupations	53	41	60	45	30	9	25	16	47	18
Production occupations	45	24	39	20	13	9	18	7	32	13
Transportation and material moving occupations:	8	17	21	25	17	0	7	9	15	5
Supervisors, transportation and material moving workers	0	0	0	0	0	0	0	0	4	0
Aircraft and traffic control occupations	0	0	0	0	0	0	0	0	0	0
Motor vehicle operators	8	17	10	9	5	0	0	9	0	5
Rail, water and other transportation occupations	0	0	0	0	0	0	0	0	0	0
Material moving workers	0	0	11	16	12	0	7	0	11	0

[illegible]

Census Tract	d 3.01	d 3.02	d 4.0	d 5.03	d 6	d 7	d 8	d 9	d 11	d 35
Unpaid family workers	0	0	0	0	0	0	0	0	0	0
Female:	502	838	1,023	768	505	258	371	190	417	257
All industries except agriculture, forestry, fishing and hunting:	502	838	1,023	768	505	258	371	190	417	257
Private for-profit wage and salary workers:	340	601	838	715	457	230	363	185	405	208
Employee of private company	340	589	838	715	451	230	363	185	405	206
Self-employed in own incorporated business	0	12	0	0	6	0	0	0	0	0
Private not-for-profit wage and salary workers	52	71	64	3	4	19	8	0	0	20
Local government workers	54	130	49	9	28	5	0	0	7	18
State government workers	19	14	14	0	0	0	0	0	5	5
Federal government workers	0	15	25	28	7	0	0	0	0	0
Self-employed workers in own not incorporated business	37	7	33	13	9	4	0	5	0	8
Unpaid family workers	0	0	0	0	0	0	0	0	0	0
Agriculture, forestry, fishing and hunting, and mining	0	0	0	0	0	0	0	0	0	0
Agriculture, forestry, fishing and hunting:	0	0	0	0	0	0	0	0	0	0
Private for-profit wage and salary workers:	0	0	0	0	0	0	0	0	0	0
Employee of private company	0	0	0	0	0	0	0	0	0	0
Self-employed in own incorporated business	0	0	0	0	0	0	0	0	0	0
Private not-for-profit wage and salary workers	0	0	0	0	0	0	0	0	0	0
Local government workers	0	0	0	0	0	0	0	0	0	0
State government workers	0	0	0	0	0	0	0	0	0	0
Federal government workers	0	0	0	0	0	0	0	0	0	0
Self-employed workers in own not incorporated business	0	0	0	0	0	0	0	0	0	0
Unpaid family workers	0	0	0	0	0	0	0	0	0	0
Mining:	0	0	0	0	0	0	0	0	0	0
Private for-profit wage and salary workers:	0	0	0	0	0	0	0	0	0	0
Employee of private company	0	0	0	0	0	0	0	0	0	0
Self-employed in own incorporated business	0	0	0	0	0	0	0	0	0	0
Private not-for-profit wage and salary workers	0	0	0	0	0	0	0	0	0	0
Local government workers	0	0	0	0	0	0	0	0	0	0
State government workers	0	0	0	0	0	0	0	0	0	0
Federal government workers	0	0	0	0	0	0	0	0	0	0
Self-employed workers in own not incorporated business	0	0	0	0	0	0	0	0	0	0
Unpaid family workers	0	0	0	0	0	0	0	0	0	0
Private for-profit wage and salary workers:	0	0	0	0	0	0	0	0	0	0
Employee of private company	0	0	0	0	0	0	0	0	0	0
Self-employed in own incorporated business	0	0	0	0	0	0	0	0	0	0
Private not-for-profit wage and salary workers	0	0	0	0	0	0	0	0	0	0
Local government workers	0	0	0	0	0	0	0	0	0	0
State government workers	0	0	0	0	0	0	0	0	0	0
Federal government workers	0	0	0	0	0	0	0	0	0	0
Self-employed workers in own not incorporated business	0	0	0	0	0	0	0	0	0	0
Unpaid family workers	0	0	0	0	0	0	0	0	0	0

P56. MEDIAN HOUSEHOLD INCOME IN 1999 (DOLLARS) BY AGE OF HOUSEHOLDER [8] - Universe: Households

Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

100

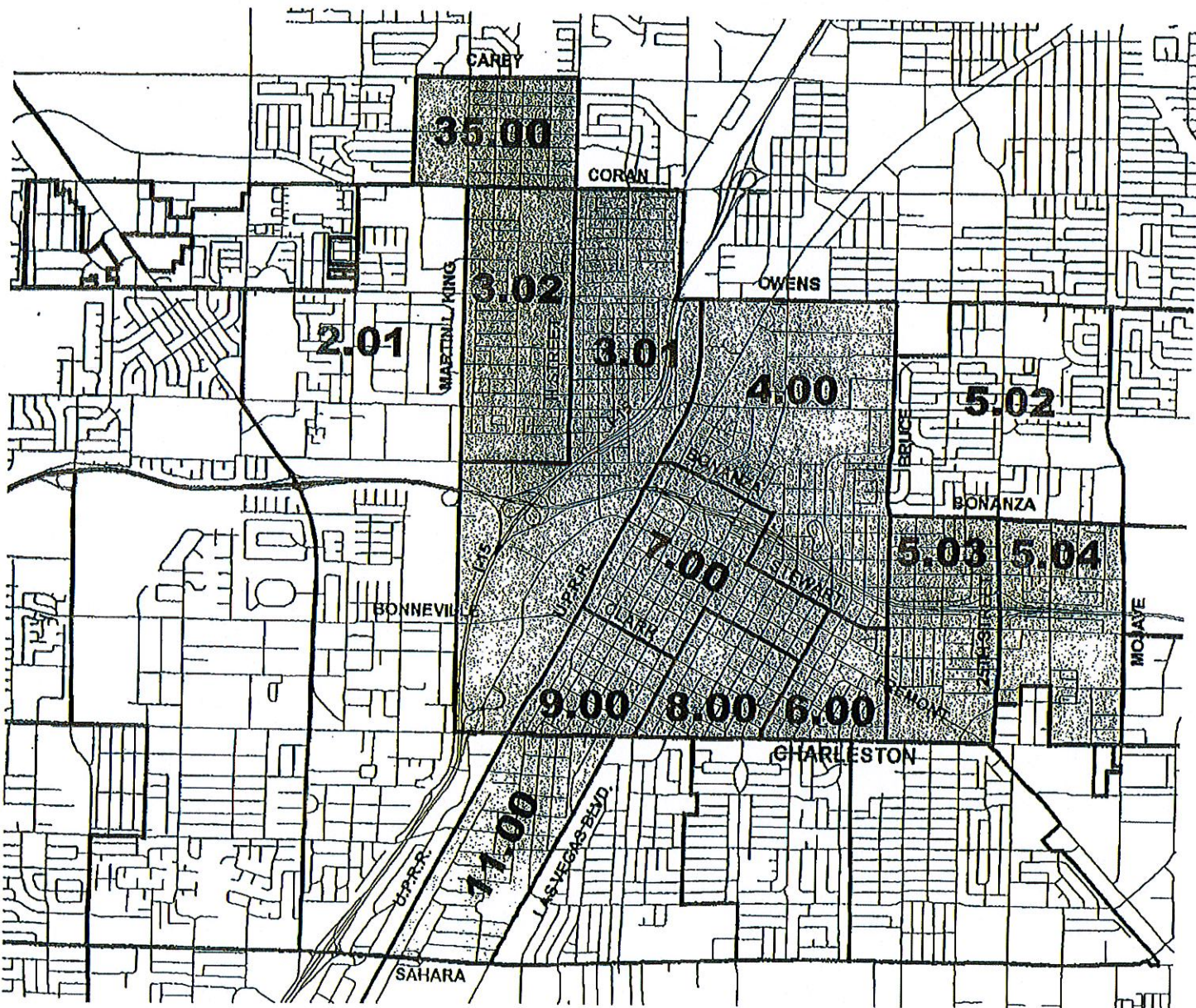


EXHIBIT "G"

FORM OF NOTE

CITY OF LAS VEGAS

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

TAXABLE TAX INCREMENT SUBORDINATE LIEN NOTE

DATED _____, 20__

No. _____

MATURITY DATE _____, 20__

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____

INTEREST RATE: _____ PERCENT (____ %) PER ANNUM

The City of Las Vegas Redevelopment Agency (the "Agency"), a public body corporate and politic duly organized and existing under the laws of the State of Nevada, for value received, hereby promises to pay, but solely from the special sources hereinafter designated, to the Registered Owner designated above, on the following dates in the following principal installments:

<u>DATE</u>	<u>PRINCIPAL DUE</u>	<u>DATE</u>	<u>PRINCIPAL DUE</u>
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____

and in like manner to pay interest on said Principal Amount from the date hereof at the Interest Rate specified above, payable annually on _____ of each year, commencing _____, 20__, until the earlier of the Maturity Date listed above or such time as said Principal Amount is paid, unless this Note shall have been called for prior prepayment and payment hereof shall have been made or provided for. All payments shall first be applied (i) to an Agency administrative fee of one-half of one percent (0.05%) of the amount of each payment payable to the Agency; (ii) to accrued unpaid interest; and then (iii) to principal. The principal of

this Note is payable in lawful money of the United States of America upon presentation and surrender hereof at the office of the City Treasurer of the City of Las Vegas, Nevada (the "*Treasurer*") as paying agent under the Resolution (as defined below) pursuant to which this Note is issued and secured or at such other office as may be designated by the Treasurer. Payment of interest on this Note and other payments of principal shall be made by check or draft mailed by the Treasurer to the person in whose name this Note is registered in the registration records of the Treasurer (the "*Registered Owner*") at the address appearing thereon at the close of business on the business day next proceeding the date such interest is paid. All such interest payments shall be made in lawful money of the United States of America. If any payment date is on a Saturday, Sunday or legal holiday, payment (by mail) shall be made on the next succeeding business day.

The Note is issued by the Agency pursuant to and in full compliance with the Constitution and laws of the State of Nevada, particularly the Nevada Community Redevelopment Law, consisting of NRS 279.382 to 279.680, inclusive, and pursuant to a resolution duly adopted by the Agency (the "*Resolution*") for the purpose of defraying a portion of the costs of a redevelopment project (the "*Agency Improvements*") located in the Redevelopment Area.

This Note is payable exclusively from Available Accrued Taxes as defined in the Owner Participation Agreement, dated as of _____, 200_, (the "*OPA*") between the Agency and Heritage-Nevada VIII, LLC. Capitalized terms used herein have the meanings set forth in the OPA, except as otherwise defined herein. By accepting this Note, the Registered Owner hereby agrees that it has no other source to look for payer other than the Agency, and the Agency shall not be in default hereunder if the Registered Owner of this Note is not paid the principal and interest hereon when due because of the fact the Available Accrued Taxes are insufficient for making that payment; however, any unpaid amounts due shall accrue from year to year until the Maturity Date and any Available Accrued Taxes which are over and above what is needed for paying that current year's principal and interest on this Note and the amount required to pay Agency Debt (as defined below) shall be utilized for the purpose of paying such prior years' accrued and unpaid principal and interest requirements with respect to this Note.

Payment of the principal and interest on this Note from Available Accrued Taxes is subordinate and junior to the lien of the Agency Debt, described below. Payments of the principal and interest on the Note shall be made only if Available Accrued Taxes remain available to the Agency after the payment of the Agency's Pre-Existing Debt and Agency's Future Debt (collectively, "*Agency Debt*") and failure to pay the principal of or interest on this Note as a result of the need to apply Available Accrued Taxes to Agency Debt shall not be a default hereunder, but the amount not paid shall accrue from year to year until the Maturity Date and any Available Accrued Taxes plus any shortfall from payment of the prior years which are over and above the amount that is needed for paying that current year's principal and interest on this Note and the amount required to pay the Agency Debt in that current year shall be utilized for the purpose of paying such prior years accrued and unpaid principal and interest requirements with respect to this Note. All unpaid principal and interest that remains due on the Maturity Date will cease to be owed and the Agency will owe no additional money after the Maturity Date hereof. Any amounts due hereunder which have not been paid on or before the Maturity Date

because of an insufficiency of Available Accrued Taxes shall cease to be due and payable thereafter and this Note shall be at that time deemed to be paid in full.

Payment of the Note from Available Accrued Taxes will be subordinate to the repayment of the Agency's Pre-Existing Debt, which is outstanding at the time such Note is issued, other than Agency debt to the City, including any debt issued after such date for the purpose of refunding the then outstanding principal balance of such Agency's Pre-Existing Debt.

Payment of the Note from Available Accrued Taxes will also be subordinate to the repayment of the Agency's Future Debt which is issued hereafter as parity or subordinate Additional Parity Obligations or Subordinate Obligations as defined in and issued in accordance with the 1995 Indenture if; and only if, the chief financial officer of the Agency files a certificate prior to any issuance of such Agency's Future Debt establishing that the reasonably projected aggregated amount of the incremental increase in property taxes to be generated by all property within the Redevelopment Area over the remaining term of the Note, minus the aggregate amount of such incremental taxes to be set aside for low-income housing pursuant to NRS 279.685 and minus the aggregate remaining debt service on the Note, equals at least one hundred fifteen percent (115%) of the reasonably projected debt service on all then outstanding Agency's Pre-Existing Debt and on all then outstanding plus the proposed to be issued Agency's Future Debt in each year in which a Note is to be outstanding.

This Note and all similar notes requiring payment from a portion of the tax increment on a specified parcel(s) of property in the Redevelopment Area shall share pro-rata, according to the relative unpaid principal amount of all of such notes, in any reduction in payments caused by a need to use tax increment to pay Agency Debt.

Principal of and interest on the Note shall not constitute an indebtedness of the City, the Agency, the State of Nevada or any other political subdivision thereof and neither the City, the State of Nevada nor any political subdivision thereof other than the Agency shall be liable thereon, nor shall the principal of or interest on the Note constitute a general obligation of the Agency or be payable out of any funds or property of the Agency other than Available Accrued Taxes.

Reference is hereby made to the Resolution for a further and more detailed description of the Available Accrued Taxes, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Agency, the Registered Owners of the Note, and the terms upon which the Note is issued and secured.

Except upon an assignment permitted pursuant to the OPA, this Note shall not be assigned by the Registered Owner to anyone other than those defined as "*Developer*" in the OPA without the Agency's written consent, which the Agency may withhold in its sole discretion.

This Note may be prepaid in whole or in part at any time. Notice of prepayment shall be given by mailing a copy of the prepayment notice not less than thirty (30) days prior to the date fixed for prepayment to the Registered Owner at the address shown on the registration records maintained by the Treasurer. The amount called for prepayment will cease to bear interest after the specified prepayment date.

The Resolution imposes limitations and conditions on the rights of any Registered Owner to enforce the provisions of the Resolution or the Note. The Resolution permits, subject to certain conditions and limitations and with certain exceptions as provided therein, the amendment thereof and the modification of the rights and obligations of the Agency.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the adoption of the Resolution and the issue of this Note do exist, have happened and have been performed in due time, form and manner as required by law.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been manually signed on behalf of the Treasurer.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the Agency has caused this Note to be executed in its name by the facsimile or manual signature of its Chairperson and its corporate seal or a facsimile thereof to be impressed, imprinted or otherwise reproduced hereon and attested by the facsimile or manual signature of its Secretary, all as of the date set forth above.

AGENCY:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____

By: _____

OSCAR B. GOODMAN, Chairperson

ATTEST:

BEVERLY BRIDGES, Secretary

APPROVED AS TO FORM:

By: _____

Name: _____

Deputy City Attorney

Date

TREASURER'S CERTIFICATE OF AUTHENTICATION

Date of authentication and registration:

This Note is issued pursuant to the within mentioned Resolution, and has been duly registered in the registration records kept by the undersigned Treasurer.

CITY TREASURER OF THE
CITY OF LAS VEGAS, NEVADA

City Treasurer

ASSIGNMENT FORM

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Note and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records kept for registration of the within Note, with full power of substitution in the premises.

The undersigned certifies and warrants that the assignment made hereby is permitted by the Owner Participation Agreement, dated as of _____, 200_, between the Agency and Heritage-Nevada VIII, LLC, and that all consents required thereby prior to this assignment have been obtained.

Dated: _____

Signature Guaranteed:

Name of Transferee:

Address of Transferee:

Social Security or other tax
identification number of
Transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

FORM OF PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Note have been prepaid in accordance with the terms of the Resolution authorizing the issuance of this Note.

<u>Date of Prepayment</u>	<u>Principal Prepaid</u>	<u>Signature of Treasurer</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

EXHIBIT "H"

FORM OF CERTIFICATE OF COMPLETION

APN No(s): _____

WHEN RECORDED, MAIL TO:

Executive Director
City of Las Vegas Redevelopment Agency
400 Stewart Avenue
Las Vegas, Nevada 89101

CERTIFICATE OF COMPLETION OF CONSTRUCTION AND DEVELOPMENT

WHEREAS, pursuant to that certain Owner Participation Agreement dated _____, 200__ (the "*OPA*") among the City of Las Vegas Redevelopment Agency (the "*Agency*"), Heritage-Nevada VIII, LLC ("*Developer*") and, solely for purposes of Section 2.7 therein, the City of Las Vegas, Nevada (the "*City*") and filed in the Recorder's Office, the Agency provided assistance to Developer or its permitted assignee(s) for construction and development of the Project situated on the Site, which is more particularly described on Exhibit "H-1" attached hereto and made a part hereof. Capitalized terms used herein have the meanings set forth in the OPA, except as otherwise defined herein;

WHEREAS, as referenced in the OPA, Developer shall certify to the Agency that all construction and development on the Site has been substantially completed in compliance with the OPA;

WHEREAS, as referenced in the OPA, the Agency shall furnish Developer with a Certificate of Completion upon completion of all construction and development upon the Site, which Certificate of Completion shall be in such form as to permit it to be recorded in the Recorder's Office; and

WHEREAS, such Certificate of Completion shall be conclusive determination of completion of the construction and development of the Project as required by the OPA.

NOW, THEREFORE:

1. Developer hereby certifies to the Agency that all construction on the Site has been completed in compliance with the OPA, including without limitation, the issuance of a temporary certificate of occupancy for the project.

2. The Agency agrees and does hereby certify that the construction and development of the Project have been fully and satisfactorily performed and completed as required by the OPA.

IN WITNESS WHEREOF, the parties hereto have executed this Certificate this _____ day of _____, 200__.

AGENCY:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairperson

ATTEST:

BEVERLY BRIDGES, Secretary

DEVELOPER:

[_____]

By: _____
Name: _____
Its: _____

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on _____, 200__, by OSCAR B. GOODMAN as Chairperson of the City of Las Vegas Redevelopment Agency.

Notary Public

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on _____, 200__, by _____ as _____ of _____.

Notary Public

EXHIBIT "H-1"

LEGAL DESCRIPTION OF THE SITE

LEGAL DESCRIPTION

PARCEL E

A PORTION OF LOT 5 AS SHOWN ON THAT CERTAIN PLAT ENTITLED "PARKWAY CENTER, A COMMERCIAL SUBDIVISION" RECORDED IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE AND LYING WITHIN THE NORTHEAST QUARTER (NE 1/4) OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 61 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, M.D.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF GRAND CENTRAL PARKWAY AND BONNEVILLE AVENUE AS SHOWN ON SAID PLAT; THENCE ALONG THE CENTERLINE OF SAID GRAND CENTRAL PARKWAY THE FOLLOWING FIVE (5) COURSES: 1) NORTH $03^{\circ}50'03''$ WEST, 209.30 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 500.00 FEET; 2) THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $31^{\circ}45'19''$, AN ARC LENGTH OF 277.12 FEET; 3) NORTH $27^{\circ}55'16''$ EAST, 1,058.21 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 500.00 FEET; 4) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $20^{\circ}42'14''$, AN ARC LENGTH OF 180.68 FEET; 5) NORTH $48^{\circ}37'30''$ EAST, 764.97 FEET; THENCE DEPARTING SAID CENTERLINE SOUTH $41^{\circ}22'30''$ EAST, 50.00 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1) NORTH $48^{\circ}37'30''$ EAST, 452.05 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 450.00 FEET; 2) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $25^{\circ}40'39''$, AN ARC LENGTH OF 201.67 FEET; 3) NORTH $74^{\circ}18'09''$ EAST, 2.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 30.00 FEET; THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY LINE, SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $95^{\circ}48'51''$, AN ARC LENGTH OF 50.17 FEET; THENCE SOUTH $09^{\circ}53'00''$ EAST, 143.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 400.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $19^{\circ}22'59''$, AN ARC LENGTH OF 135.32 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 647.00 FEET, FROM WHICH BEGINNING THE RADIUS BEARS NORTH $80^{\circ}30'01''$ WEST; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $18^{\circ}23'44''$, AN ARC LENGTH OF 207.73 FEET; THENCE SOUTH $27^{\circ}53'43''$ WEST, 254.17 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 30.00 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $90^{\circ}02'53''$, AN ARC LENGTH OF 47.15 FEET; THENCE NORTH $62^{\circ}03'24''$ WEST, 162.77 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 233.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $20^{\circ}40'42''$, AN ARC LENGTH OF 84.09 FEET; THENCE NORTH $41^{\circ}22'42''$ WEST, 222.90 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 30.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF $90^{\circ}00'12''$, AN ARC LENGTH OF 47.13 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**.

CONTAINING 5.84 ACRES, MORE OR LESS.



BASIS OF BEARING

NORTH 03°50'03" WEST, BEING THE BEARING OF A PORTION OF THE CENTERLINE OF GRAND CENTRAL PARKWAY AS SHOWN IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

END OF DESCRIPTION.

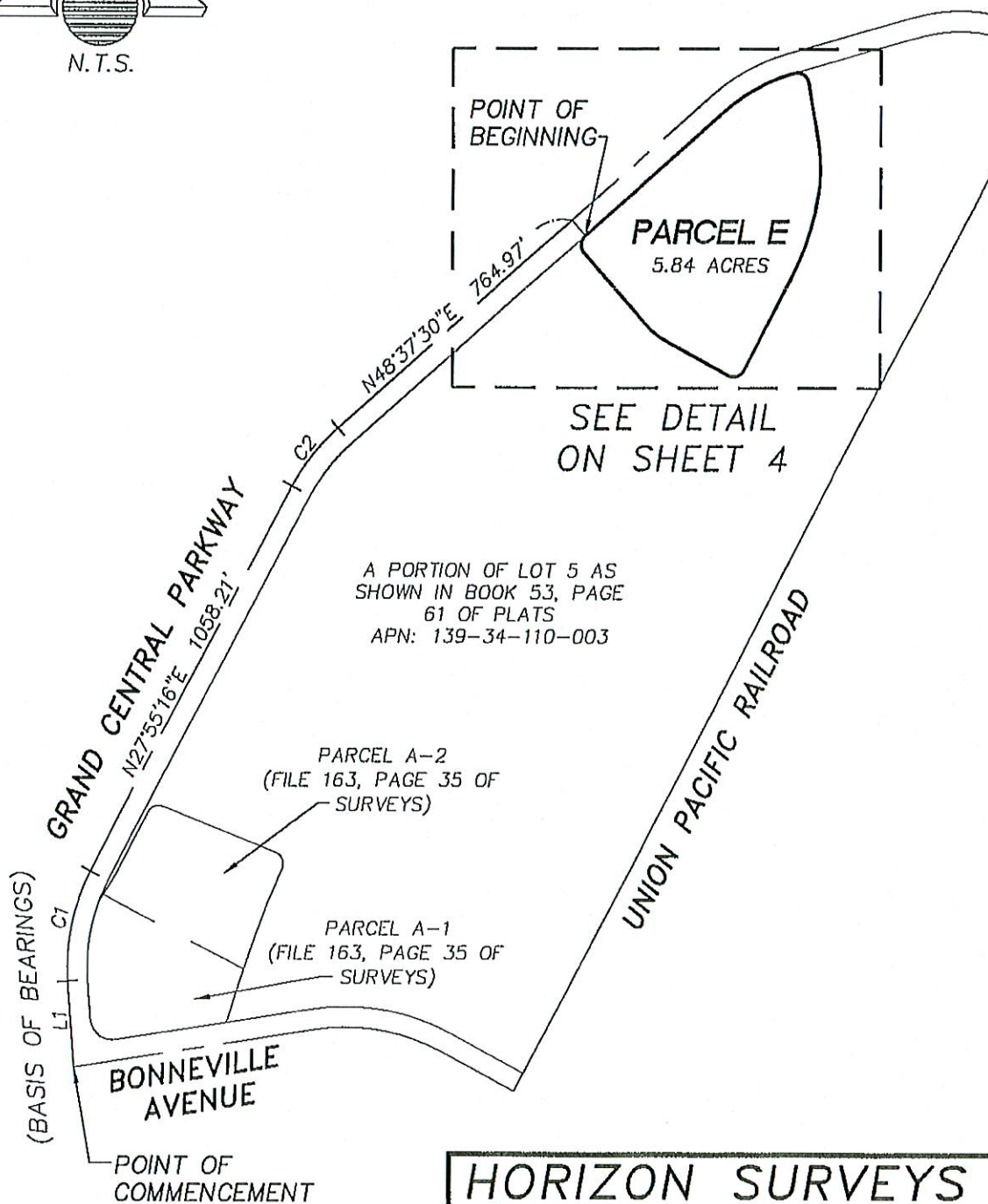
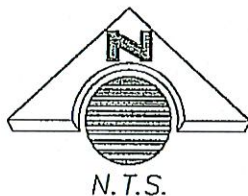
LAND SURVEYOR, PLS
JOHN E. FORSMAN
NEVADA LICENSE NO. 10053



5-10-07



EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION



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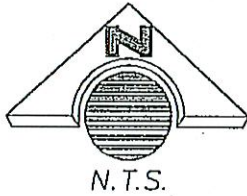
SHEET 3 OF 5

HORIZON SURVEYS

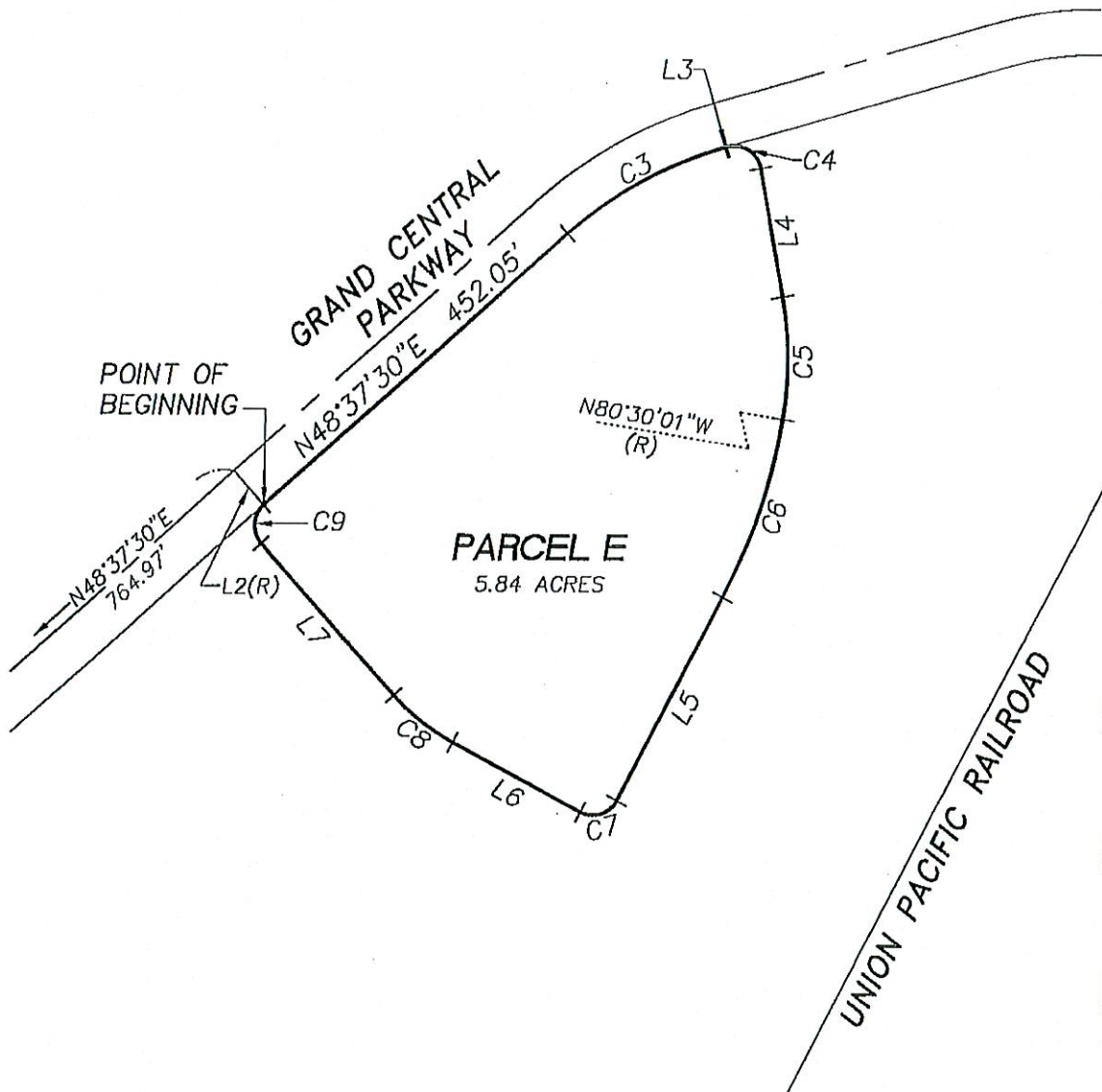


9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION



DETAIL



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HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION

LINE TABLE

LINE	BEARING	LENGTH
L1	N03°50'03"W	209.30'
L2(R)	S41°22'30"E	50.00'
L3	N74°18'09"E	2.35'
L4	S09°53'00"E	143.35'
L5	S27°53'43"W	254.17'
L6	N62°03'24"W	162.77'
L7	N41°22'42"W	222.90'

CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	TANGENT
C1	31°45'19"	500.00	277.12'	142.22'
C2	20°42'14"	500.00	180.68'	91.33'
C3	25°40'39"	450.00	201.67'	102.56'
C4	95°48'51"	30.00	50.17'	33.21'
C5	19°22'59"	400.00	135.32'	68.31'
C6	18°23'44"	647.00	207.73'	104.77'
C7	90°02'53"	30.00	47.15'	30.03'
C8	20°40'42"	233.00	84.09'	42.51'
C9	90°00'12"	30.00	47.13'	30.00'

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HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT "I"

FORM OF AGREEMENT TO BE RECORDED AFFECTING REAL PROPERTY

APN No(s): _____

WHEN RECORDED, MAIL TO:

Executive Director
City of Las Vegas Redevelopment Agency
400 Stewart Avenue
Las Vegas, Nevada 89101

AGREEMENT TO BE RECORDED AFFECTING REAL PROPERTY

THIS AGREEMENT is entered into this ____ day of _____, 20____, by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY (the "Agency") and Heritage-Nevada VIII, LLC (together with its successors and assigns, "Developer").

WITNESSETH:

A. WHEREAS, Developer or its affiliate is the present owner of certain real property (the "Site") located in the City of Las Vegas, County of Clark, State of Nevada, and more particularly described in Exhibit "I-1" attached hereto;

B. WHEREAS, the Site is within the Downtown Las Vegas Redevelopment Area (the "Redevelopment Area") and is subject to the provisions of the Redevelopment Plan for the Redevelopment Area which was approved and adopted on March 5, 1986, by the City Council of the City of Las Vegas by Ordinance No. 3218. The Redevelopment Plan, as it now exists and as it may be subsequently amended, is incorporated herein by reference and made a part hereof as though fully set forth herein; and

C. WHEREAS, recordation of this Agreement at the Agency's request is conclusive evidence that Developer has rehabilitated and/or constructed the improvements on the Site and has otherwise developed the Site in accordance with the Redevelopment Plan and pursuant to the terms and provisions of that certain Owner Participation Agreement entered into between the Agency and Developer on _____, 200__ (the "OPA").

NOW, THEREFORE, the Agency and Developer hereby agree as follows:

1. By its recordation of this Agreement, the Agency acknowledges that Developer has constructed the improvements on the Site and has otherwise developed the Site in accordance with the Redevelopment Plan and pursuant to the terms and provisions of the OPA, that the terms and provisions of the OPA have been fully and satisfactorily performed by Developer.

2. Developer, on behalf of itself and its successors, assigns and each successor in interest to the Site, or any part thereof, hereby covenants and agrees:

2.1 To use, devote and maintain the Site, and each part thereof, for the uses specified or permitted in the OPA.

2.2 To maintain the improvements on the Site, keep the Site free from any material accumulation of debris or waste materials and maintain the landscaping planted on the Site in a healthy condition. All such maintenance shall be at the sole expense of Developer; *provided, however*, that if Developer shall fail to so maintain the Site and said condition is not corrected within thirty (30) days after written notice from the Agency or such longer period as may be reasonably necessary provided that Developer is pursuing such correction diligently, the Agency may perform such maintenance for Developer and in such event shall be entitled to be reimbursed by Developer for the actual cost thereof.

2.3 That there shall be no unlawful discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, or ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site.

3. The covenants and agreements established in this Agreement shall, without regard to technical classification and designation, be binding on Developer and any successor in interest to the Site, or any part thereof, for the benefit and in favor of the Agency, its successors and assigns, and the City of Las Vegas. The covenants contained in Sections 2.1 and 2.2 of this Agreement shall remain in effect until _____ [Insert Maturity Date]. The covenants against discrimination (contained in Section 2.3) shall remain in effect in perpetuity. The Agency and Developer shall have the right, if this Agreement or the covenants are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and the covenants may be entitled.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

AGENCY:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairperson

ATTEST:

BEVERLY BRIDGES, Secretary

APPROVED AS TO FORM:

By: _____
Name: _____
Deputy City Attorney Date

DEVELOPER:

[_____]

By: _____
Name: _____
Its: _____

EXHIBIT "I-1"

LEGAL DESCRIPTION OF THE SITE

LEGAL DESCRIPTION

PARCEL E

A PORTION OF LOT 5 AS SHOWN ON THAT CERTAIN PLAT ENTITLED "PARKWAY CENTER, A COMMERCIAL SUBDIVISION" RECORDED IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE AND LYING WITHIN THE NORTHEAST QUARTER (NE 1/4) OF SECTION 33, TOWNSHIP 20 SOUTH, RANGE 61 EAST, CITY OF LAS VEGAS, CLARK COUNTY, NEVADA, M.D.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF GRAND CENTRAL PARKWAY AND BONNEVILLE AVENUE AS SHOWN ON SAID PLAT; THENCE ALONG THE CENTERLINE OF SAID GRAND CENTRAL PARKWAY THE FOLLOWING FIVE (5) COURSES: 1) NORTH 03°50'03" WEST, 209.30 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 500.00 FEET; 2) THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 31°45'19", AN ARC LENGTH OF 277.12 FEET; 3) NORTH 27°55'16" EAST, 1,058.21 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 500.00 FEET; 4) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20°42'14", AN ARC LENGTH OF 180.68 FEET; 5) NORTH 48°37'30" EAST, 764.97 FEET; THENCE DEPARTING SAID CENTERLINE SOUTH 41°22'30" EAST, 50.00 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: 1) NORTH 48°37'30" EAST, 452.05 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 450.00 FEET; 2) THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°40'39", AN ARC LENGTH OF 201.67 FEET; 3) NORTH 74°18'09" EAST, 2.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 30.00 FEET; THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY LINE, SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 95°48'51", AN ARC LENGTH OF 50.17 FEET; THENCE SOUTH 09°53'00" EAST, 143.35 FEET TO THE BEGINNING OF A CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 400.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 19°22'59", AN ARC LENGTH OF 135.32 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 647.00 FEET, FROM WHICH BEGINNING THE RADIUS BEARS NORTH 80°30'01" WEST; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 18°23'44", AN ARC LENGTH OF 207.73 FEET; THENCE SOUTH 27°53'43" WEST, 254.17 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 30.00 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°02'53", AN ARC LENGTH OF 47.15 FEET; THENCE NORTH 62°03'24" WEST, 162.77 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 233.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 20°40'42", AN ARC LENGTH OF 84.09 FEET; THENCE NORTH 41°22'42" WEST, 222.90 FEET TO THE BEGINNING OF A CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 30.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'12", AN ARC LENGTH OF 47.13 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID GRAND CENTRAL PARKWAY AND THE **POINT OF BEGINNING**.

CONTAINING 5.84 ACRES, MORE OR LESS.

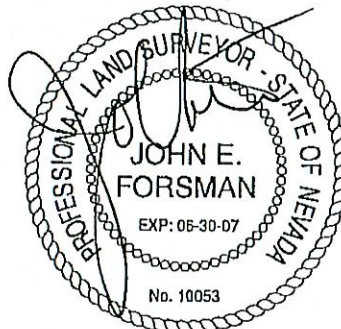


BASIS OF BEARING

NORTH 03°50'03" WEST, BEING THE BEARING OF A PORTION OF THE CENTERLINE OF GRAND CENTRAL PARKWAY AS SHOWN IN BOOK 53, PAGE 61 OF PLATS ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE, CLARK COUNTY, NEVADA.

END OF DESCRIPTION.

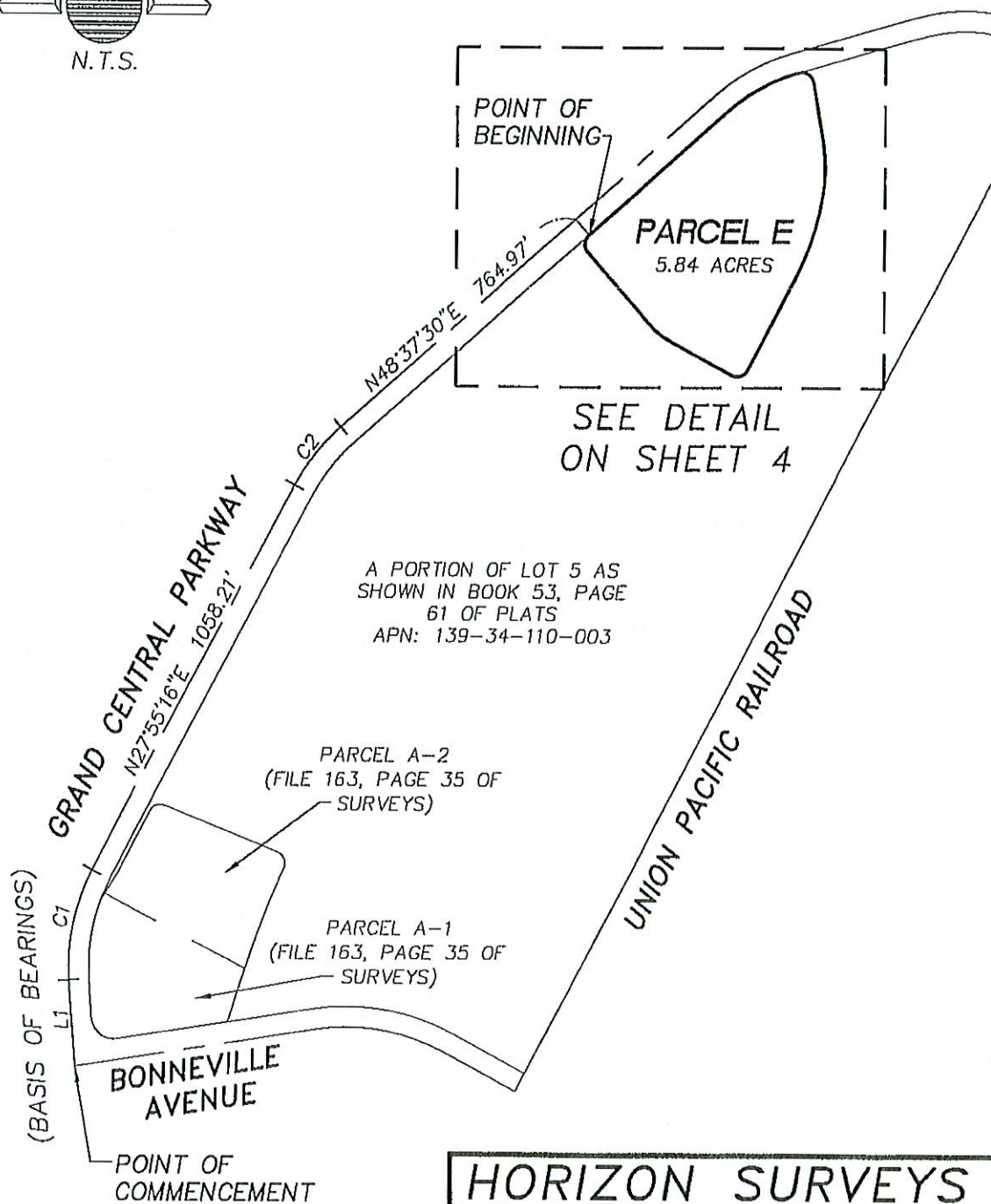
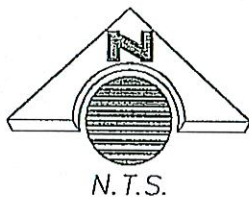
LAND SURVEYOR, PLS
JOHN E. FORSMAN
NEVADA LICENSE NO. 10053



5-10-07



EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION



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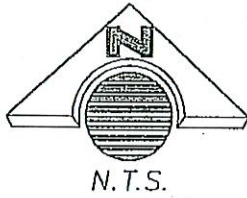
SHEET 3 OF 5

HORIZON SURVEYS

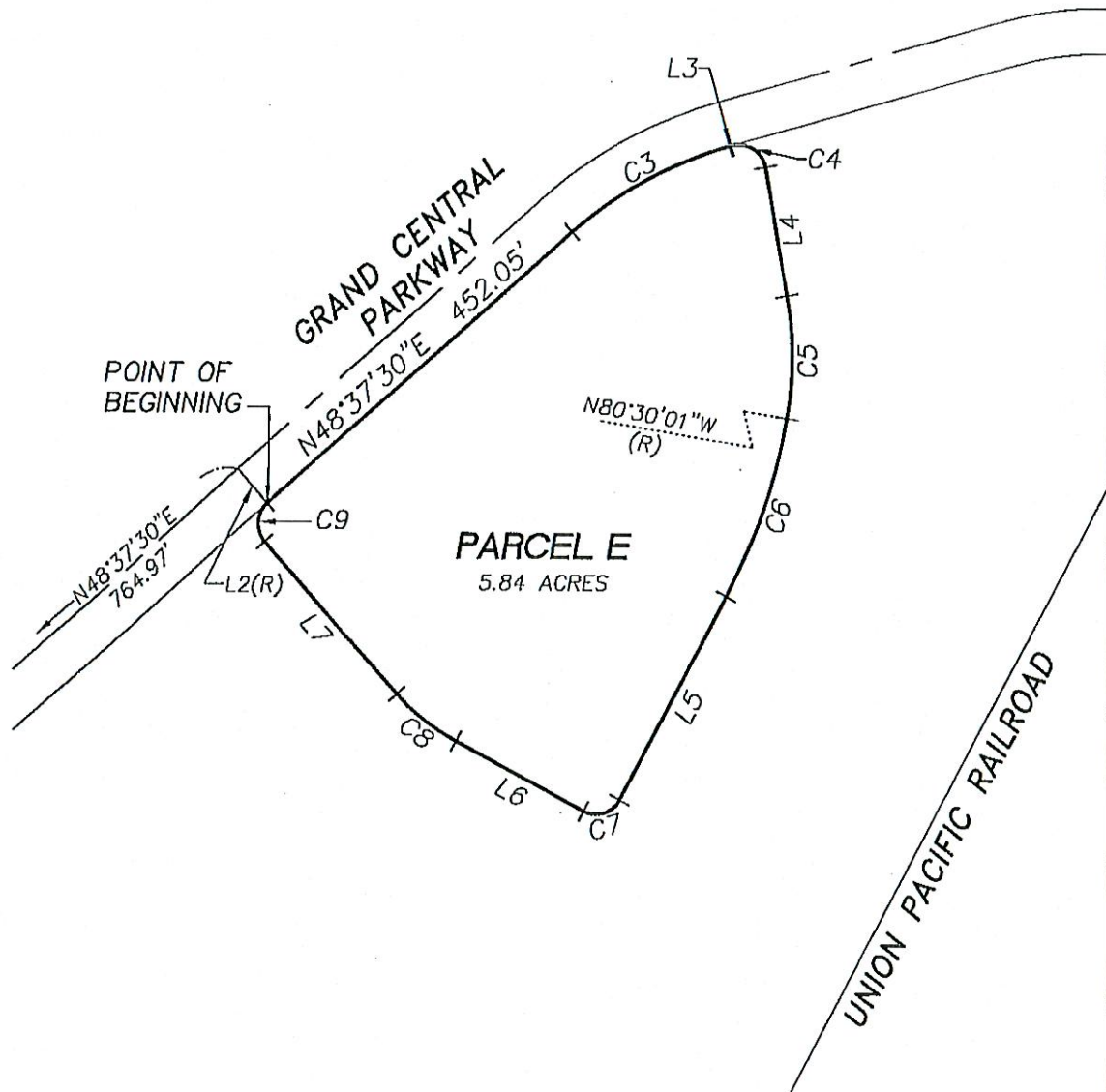


9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION



DETAIL



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SHEET 4 OF 5

HORIZON SURVEYS



9901 COVINGTON CROSS DRIVE, SUITE 120
LAS VEGAS, NEVADA 89144
PHONE (702)228-5066 FAX (702)228-0677
WWW.HORIZONSURVEYS.COM

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION

LINE TABLE

LINE	BEARING	LENGTH
L1	N03°50'03"W	209.30'
L2(R)	S41°22'30"E	50.00'
L3	N74°18'09"E	2.35'
L4	S09°53'00"E	143.35'
L5	S27°53'43"W	254.17'
L6	N62°03'24"W	162.77'
L7	N41°22'42"W	222.90'

CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	TANGENT
C1	31°45'19"	500.00	277.12'	142.22'
C2	20°42'14"	500.00	180.68'	91.33'
C3	25°40'39"	450.00	201.67'	102.56'
C4	95°48'51"	30.00	50.17'	33.21'
C5	19°22'59"	400.00	135.32'	68.31'
C6	18°23'44"	647.00	207.73'	104.77'
C7	90°02'53"	30.00	47.15'	30.03'
C8	20°40'42"	233.00	84.09'	42.51'
C9	90°00'12"	30.00	47.13'	30.00'

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HORIZON SURVEYS



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EXHIBIT "J"

FORM OF RECOGNIZED LENDER NOTICE

Reference is hereby made to that certain Owner Participation Agreement, dated as of _____, 200__ (the "*OPA*"), between the Agency and Heritage-Nevada VIII, LLC. Capitalized terms used herein have the meanings set forth in the *OPA*, except as otherwise defined herein.

As of the date hereof [_____] ("*Developer*") has granted to [_____] (the "*Mortgage Lender*") a security interest in, among other things, Developer's interests in the Project as security for certain obligations as more particularly described in that certain [Loan Agreement] dated as of [_____] (the "*Mortgage Security Interest*") among Developer and Mortgage Lender.

As of the date hereof [_____] ("*Sole Member*"), Developer's sole member, has granted to [_____] (the "*Mezzanine Lender*") a security interest in, among other things, the membership interests of Sole Member in Developer as security for certain obligations as more particularly described in that certain [Mezzanine Loan Agreement] dated as of [_____] (the "*Mezzanine Security Interest*") among Sole Member and Mezzanine Lender.

Pursuant to Section 4.1 of the *OPA*, a copy of the Mortgage Security Interest is attached hereto as Exhibit "J-1" and a copy of the Mezzanine Security Interest is attached hereto as Exhibit "J-2".

The name and address of the Mortgage Lender is:

Attention: _____

The name and address of the Mezzanine Lender is:

Attention: _____

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Notice as of the date _____, 20____.

MORTGAGE LENDER:

[_____]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

MEZZANINE LENDER:

[_____]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

DEVELOPER:

[_____]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT "J-1"

MORTGAGE SECURITY INTEREST

See attached.

EXHIBIT “J-2”

MEZZANINE SECURITY INTEREST

See attached.

EXHIBIT "K"

CERTIFICATE OF DEPOSITORY

Date:

Re: [Insert Description of Promissory Note and Depository Agreement]

The undersigned, _____, hereby certifies to the CITY OF LAS VEGAS REDEVELOPMENT AGENCY that the following have received distributions of payments pursuant to the above-captioned promissory note payable to the CITY OF LAS VEGAS REDEVELOPMENT AGENCY:

[Insert names of payees under depository agreement]

[NAME OF DEPOSITORY]

By: _____

Name: _____

Title: _____

EXHIBIT "L"

FORM OF ESTOPPEL CERTIFICATE

Date: _____

[____ LENDER ____]
[_____
[_____]

Re: Ownership Participation Agreement, dated as of _____, 200_ ("*OPA*") between the City of Las Vegas Redevelopment Agency ("*Agency*") and Heritage-Nevada VIII, LLC ("*Developer*")

Capitalized terms not otherwise defined herein shall have the respective meanings given thereto in the OPA.

Agency having knowledge that Developer has obtained a loan (the "*Loan*") from [_____] as a [lender and agent for certain lenders], together with its successors and assigns (in such capacity, "*Lender*") hereby certifies to Lender that to the best of the Agency's knowledge:

1. The OPA is in full force and effect and has not been assigned by Developer other than to Lender. The OPA represents the entire agreement between Agency and Developer with respect to the subject matter thereof and there have been no other oral or written amendments, modifications, terminations or changes thereto except as set forth on Exhibit "L-1" attached hereto.

2. There are no uncured defaults, events of default or breaches by Developer which now exist under the OPA and no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach by Developer under the OPA. Agency has made no claim against Developer alleging Developer's default under the OPA.

3. All of the obligations of Developer under the OPA have been completed as of the date hereof have been duly performed and completed.

4. There have been no other Notes issued to Developer by the Agency.

5. Without limiting paragraph 3 above, as of the date hereof, Developer has Commenced Construction of the Project in accordance with the Schedule of Performance pursuant to the provisions of Section 1.10 and Section 1.11 of the OPA and the Agency is hereafter no longer entitled to any reimbursement for any expenses pursuant to the terms of Section 1.10 of the OPA.

6. The Agency acknowledges compliance with the provisions of Section 2.2 and Section 2.3 of the OPA.

7. [Confirmation of any specific matters.]

This Certificate is made for the benefit of, and for the reliance upon, Lender as to compliance with the OPA only.

AGENCY:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

EXHIBIT “L-1”
AMENDMENTS